

企業管治報告

Corporate Governance Report

企業管治常規

由於董事會認為有效的企業管治常規在提升股東價值及保障股東及其他利益相關人士的權益實屬必要，故本公司與董事會致力達致及保持最高標準的企業管治。因此，本公司已採取合理的企業管治原則，以突顯董事會質素、有效的內部監控、嚴格的披露規定和透明度，以及對所有利益相關人士的問責性。

於截至二零一三年十二月三十一日止年度，本公司亦一直遵守上市規則附錄14所載企業管治守則及企業管治報告（「守則」）的所有守則條文，惟偏離守則第A.5條者除外。根據守則第A.5條，本公司應成立提名委員會，並訂有書面職權範圍，清楚列明其權力及職務。目前，本公司並無成立提名委員會，並將有關職能保留予薪酬委員會。自本公司於二零一零年在聯交所主板上市起，薪酬委員會獲授予提名委員會的職能。因此，董事會認為薪酬委員會成員擁有必要的經驗及知識，履行提名委員會的職能。董事會將不時檢討董事委員會的組成及運作，並於有需要時考慮成立提名委員會。

董事進行證券交易

本公司已採納條款不寬鬆於上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）之有關董事進行證券交易的操守守則。經向全體董事作出特定查詢後，所有董事確認，彼等一直遵守標準守則所載規定標準及本公司所採納有關董事進行證券交易的操守守則。

Corporate Governance Practices

The Company and the Board are devoted to achieving and maintaining the highest standards of corporate governance as the Board believes that effective corporate governance practices are fundamental to enhancing shareholder value and safeguarding interests of the shareholders and other stakeholders. Accordingly, the Company has adopted sound corporate governance principles that emphasise a quality Board, effective internal control, stringent disclosure practices and transparency and accountability to all stakeholders.

For the year ended 31 December 2013, the Company has also complied with all the code provisions of the Corporate Governance Code and Corporate Governance Report (the "Code") set out in Appendix 14 of the Listing Rules, except with a deviation from paragraph A.5 of the Code. Under paragraph A.5 of the Code, the Company should establish a Nomination Committee with specific written terms of reference which deal clearly with its authority and duties. Currently, the Company had not established a Nomination Committee and had retained the functions with the Remuneration Committee. The Remuneration Committee has been delegated the functions of a Nomination Committee since its listing on the Main Board of the Stock Exchange in 2010. As such, the Board is of the view that the members of the Remuneration Committee possess the necessary experience and knowledge to discharge the functions of a Nomination Committee. The Board shall review the composition and operation of the Board Committees from time to time and shall consider establishing a Nomination Committee if such need arises.

Directors' Securities Transactions

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding Directors' securities transactions adopted by the Company.

企業管治報告 Corporate Governance Report

董事會

董事會負責領導及監控本集團的業務運作。董事會制定本集團的策略性方向、監督其運作，並監察其財務表現。管理層在董事會授權的範圍內管理本集團的業務。管理層向董事會負責本公司的整體營運。

本公司的章程細則列明須由董事會決策的事宜。

公司秘書或其助理負責編製董事會及董事委員會的會議記錄。會議記錄及書面決議案擬稿將於合理期間內向全體董事會成員或董事委員會成員傳閱，以供其審閱及表達意見。會議記錄及書面決議案的最終定稿將於合理時間內送交作記錄，而經簽署的副本將存置於由公司秘書保管的本公司會議記錄冊內，以供董事查閱。

於二零一三年十二月三十一日及於本報告日期，董事會包括一名執行董事、五名非執行董事及三名獨立非執行董事。董事詳情載於第23頁至第28頁「董事及高級管理人員履歷」一節及本公司網站。

The Board of Directors

The Board is responsible for leading and controlling the business operations of the Group. It formulates strategic directions, oversees the operations and monitors the financial performance of the Group. Management manages the businesses of the Group within the delegated power and authority given by the Board. Management is accountable to the Board for the Company's overall operation.

The Company's articles of association set out matters which are specifically reserved to the Board for its decision.

The Company Secretary or his assistant is responsible for taking minutes of the Board and Board Committee meetings. Draft minutes and written resolutions will be circulated to all Board members or Board Committee members for review and comment within a reasonable period of time. Final version of the minutes and written resolutions will be provided for record within a reasonable period of time and the signed copies are kept in the Company's minutes book maintained by the Company Secretary for Directors' inspection.

As at 31 December 2013 and at the date of this report, the Board comprises of one executive Director, five non-executive Directors and three independent non-executive Directors. A description of the Directors is set out in the "Biographical Details of Directors and Senior Management" section from pages 23 to 28 and on the Company's website.

企業管治報告 Corporate Governance Report

於二零一三年十二月三十一日及於本報告日期，
董事會包括下列成員：

As at 31 December 2013 and at the date of this report, the Board
comprises of the following members:

| 董事 | Directors | 首次獲委任 為董事會成員的日期 Date of first appointment to the Board | 最近一次重選連任 為董事的日期 Date of last re-election as Director |
|-------------------------------|---|--|--|
| 執行董事： | Executive Director: | | |
| 劉幫民先生(行政總裁) | Mr. Liu Bang Min (<i>Chief Executive Officer</i>) | 二零一三年四月九日 9 April 2013 | 二零一三年五月十五日 15 May 2013 |
| 非執行董事： | Non-executive Directors: | | |
| Stephen Burnau Hunt先生 (主席) | Mr. Stephen Burnau Hunt (<i>Chairman</i>) | 二零一零年四月九日 9 April 2010 | 二零一三年五月十五日 15 May 2013 |
| 李晉頤先生(副主席) | Mr. Lee Jin Yi (<i>Deputy Chairman</i>) | 二零一零年四月九日 9 April 2010 | 二零一三年五月十五日 15 May 2013 |
| 湯軍先生 | Mr. Tang Jun | 二零一零年四月九日 9 April 2010 | 二零一三年五月十五日 15 May 2013 |
| 陶芳芳女士 | Ms. Tao Fang Fang | 二零一零年一月八日 8 January 2010 | 二零一二年五月十四日 14 May 2012 |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 二零零九年九月十日 10 September 2009 | 二零一二年五月十四日 14 May 2012 |
| 獨立非執行董事： | Independent non-executive Directors: | | |
| 陳記煊先生 | Mr. Chan Kee Huen, Michael | 二零一零年四月九日 9 April 2010 | 二零一一年四月二十八日 28 April 2011 |
| 鄧昭平先生 | Mr. Tang Chiu Ping, Raymond | 二零一零年四月九日 9 April 2010 | 二零一一年四月二十八日 28 April 2011 |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 二零一一年二月十日 10 February 2011 | 二零一一年四月二十八日 28 April 2011 |

本集團會不時檢討董事會的規模及組成，當中會考慮上市規則的要求、本公司的業務範疇及性質，以確保董事會的規模足夠，得以帶來多方觀點，並作出有效決策。董事擁有不同背景，具備金融、人力資源及醫藥業務領域的專業知識。本公司網站及聯交所網站載有董事更新名單，載明其角色及職能。

The size and composition of the Board are reviewed from time to time, taking into account the requirements under the Listing Rules and the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide a diversity of views and facilitate effective decision making. The Directors come from diverse background with varied expertise in finance, human resources and pharmaceutical business fields. The Company has maintained on the Company's website and on the website of the Stock Exchange an updated list of its Directors identifying their roles and functions.

企業管治報告 Corporate Governance Report

獨立非執行董事

獨立非執行董事為本集團帶來各方面的技術及業務經驗。彼等亦通過董事會會議及董事委員會會議，對策略問題、表現及風險作出獨立評估。

根據上市規則第3.10(1)條，三名獨立非執行董事代表董事會的三分之一。三名獨立非執行董事中，其中一名擁有上市規則第3.10(2)條所規定的會計或相關財務管理專門技術的適當專業資格。

根據上市規則，本公司已收到每名獨立非執行董事有關其獨立性的年度確認函。基於該等確認函，據本公司所知，認為全體獨立非執行董事符合上市規則第3.13條所載的獨立性指引規定，彼等全體均為獨立人士。

主席及行政總裁

主席與行政總裁的職權已予區分。主席負責管理董事會，並領導其制定整體策略及業務發展方向，確保各董事均可獲得足夠、完整及可信的資料，在董事會會議內提到的問題均可得到合理的解釋。行政總裁負責管理本公司業務，實施董事會所制定的政策、業務目標及計劃，並就本公司整體營運向董事會負責。高級管理層在本公司行政總裁的領導下負責本集團的日常營運。

委任、重選及罷免

執行董事與本公司訂立服務協議，由二零一三年四月九日開始為期三年。各非執行董事及獨立非執行董事均與本公司訂立委任書，由二零一三年四月九日開始為期三年，惟 Fritz Heinrich Horlacher 先生除外，其委任日期於二零一四年二月十日開始。董事會委任的所有董事（不論為填補臨時空缺或屬董事會新增成員）均須於獲委任後首個股東週年大會退任並符合資格重選連任。

Independent Non-executive Directors

The independent non-executive Directors bring a wide range of skills and business experience to the Group. They also bring independent judgement on issues of strategy, performance and risk through their contribution to the Board meetings and to the Board Committees' meetings.

In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors, representing one-third of the Board. Among the three independent non-executive Directors, one of them has appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to the Listing Rules. With reference to such confirmations, the Company, to its best knowledge, considers that all the independent non-executive Directors fulfill the guidelines on independence as set out in Rule 3.13 of the Listing Rules and all to be independent.

Chairman and Chief Executive Officer

The roles of the chairman are segregated from the chief executive officer. The chairman is responsible for managing the Board, steering the Board to formulate overall strategies and business development plans, ensuring the receipt of sufficient, complete and reliable information by each Director and the receipt of reasonable explanations for the issues raised at the Board meetings. The chief executive officer is responsible for managing the business of the Company and implementing policies, business objectives and plans formulated by the Board, and is accountable to the Board for the Company's overall operation. The senior management team is responsible for the day-to-day operations of the Group under the leadership of the chief executive officer of the Company.

Appointment, Re-election and Removal

The executive Director has entered into a service agreement with the Company for a term of three years commencing 9 April 2013. Each of the non-executive Directors and the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing 9 April 2013 except for Mr. Fritz Heinrich Horlacher whose commencement date was 10 February 2014. All Directors appointed by the Board either to fill a casual vacancy or as addition to the Board shall retire and be eligible for re-appointment at the first general meeting after appointment.

企業管治報告 Corporate Governance Report

於每屆股東週年大會上，當時三分之一的董事（或如董事人數並非三或三的倍數，則最接近但不少於三分之一的人數）均須輪值退任，惟各董事（包括該等按特別年期獲委任者）須至少每三年輪值退任一次。

根據本公司的章程細則條文，陳記煊先生、鄧昭平先生及Fritz Heinrich Horlacher先生將輪值退任，並符合資格及願意於應屆股東週年大會上重選連任。

截至二零一三年十二月三十一日止年度，本公司並無成立提名委員會，但將此功能保留在薪酬委員會。薪酬委員會成員不時物色合適的合資格人士出任董事會成員，並挑選或在挑選提名董事或高級管理層人選的過程中向董事會作出推薦建議。於考慮提名新任董事或高級管理層時，薪酬委員會將考慮候選人的資歷、能力、工作經驗、領導才能及專業操守以及（就獨立非執行董事而言）獨立性規定。薪酬委員會已採納新任董事或高級管理層的提名程序，據此，(1)將與候選人進行面試；及(2)薪酬委員會將考慮並酌情向董事會提出合適的推薦意見。

董事變動

茲提述日期為二零一三年三月六日的公告，董事會宣佈徐軍先生的執行董事服務合同將於二零一三年四月八日屆滿（「屆滿日」）。董事會收到徐先生的通知，表示出於私人原因，為投入更多時間陪伴家人，彼將不再續約。自屆滿日起，徐先生將不再擔任執行董事、本集團執行委員會成員和行政總裁職務。董事會亦於同日宣佈，從二零一三年四月九日起，劉幫民先生將被委任為執行董事、本集團執行委員會成員和行政總裁。

At each AGM one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

In accordance with the provisions of the Company's articles of association, Mr. Chan Kee Huen, Michael, Mr. Tang Chiu Ping, Raymond and Mr. Fritz Heinrich Horlacher will retire by rotation and, being eligible, offer themselves for re-election in the forthcoming AGM.

For the year ended 31 December 2013, the Company had not established a Nomination Committee but had retained the functions with the Remuneration Committee. The Remuneration Committee members from time to time identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships or senior management. In considering the nomination of new Directors or senior management, the Remuneration Committee will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates as well as the independence requirement in the case of an independent non-executive Director. The Remuneration Committee has adopted procedures for nomination of a new Director or senior management, pursuant to which (1) an interview will be conducted with the prospective candidates; and (2) the Remuneration Committee will consider and, if thought fit, make suitable recommendations to the Board.

Changes of Directors

Referring to the announcement dated 6 March 2013, the Board announced that the executive director service contract of Mr. Xu Jun will expire on 8 April 2013 (the "Termination Date") and the Board had received notice from Mr. Xu that he will not renew his service contract due to the personal reason that he would like to devote more time to his family. With effect from the Termination Date, Mr. Xu will no longer serve as the executive Director, a member of the Executive Committee and the CEO of the Group. The Board also announced on the same date that Mr. Liu Bang Min will be appointed as the executive Director, a member of the Executive Committee and the CEO of the Group with effect from 9 April 2013.

企業管治報告 Corporate Governance Report

高級管理層變動

薪酬委員會及執行委員會已批准：

- 劉曉東先生辭任本集團高級副總裁，自二零一三年一月三十一日生效；
- 周戎先生晉升為本集團高級副總裁，自二零一三年三月六日生效；彼其後再晉升為寧波立華的副總經理，自二零一三年十一月三十日生效；
- 魯俞江先生晉升為本集團高級副總裁兼寧波立華總經理，自二零一三年三月六日生效；彼其後辭任本集團高級副總裁及寧波立華總經理，自二零一三年十一月三十日生效；
- 徐廣先生晉升為本集團銷售總監兼深圳朗生及寧波朗生的副總經理，自二零一三年三月六日生效；彼其後再晉升為寧波朗生的總經理，自二零一四年一月一日生效；
- 委任陳曉耘先生為本集團市場推廣和業務開發副總裁，自二零一三年四月十五日生效；
- 委任朱迪漢先生為本集團人力資源總監，自二零一三年四月十五日生效；及
- 潘莉蓉女士辭任本集團高級副總裁，自二零一三年十月三十一日生效。

持續專業發展

董事不斷留意作為本公司董事的責任及操守，以及有關本公司業務活動及發展的事宜。公司不時為董事更新及提供培訓，並就與董事的職務及職責有關的上市規則、適用法律、規則及法規的最新發展舉辦研討會。

董事獲董事會委任後將由高級行政人員全面簡介本集團的業務。董事定期獲提供持續教育及資料，確保彼等獲悉本集團經營業務的商業、法律與規管環境的最新變化。

Changes of Senior Management

The Remuneration and Executive Committees have approved:

- the resignation of Mr. Liu Xiao Dong as senior vice president of the Group, effective 31 January 2013;
- the promotion of Mr. Zhou Rong as senior vice president of the Group, effective 6 March 2013; subsequently his further promotion as the deputy general manager of Ningbo Liwah, effective 30 November 2013;
- the promotion of Mr. Lu Yu Jiang as senior vice president of the Group and general manager of Ningbo Liwah, effective 6 March 2013; subsequently his resignation as senior vice president of the Group and general manager of Ningbo Liwah, effective 30 November 2013;
- the promotion of Mr. Xu Guang as director of sales of the Group and deputy general manager of both Shenzhen Lansen and Ningbo Lansen, effective 6 March 2013; subsequently his further promotion as the general manager of Ningbo Lansen, effective 1 January 2014;
- the appointment of Mr. Chen Xiao Yun as vice president of marketing and business development of the Group, effective 15 April 2013;
- the appointment of Mr. Zhu Di Han as human resources director of the Group, effective 15 April 2013; and
- the resignation of Ms. Poon Lei Yung as senior vice president of the Group, effective 31 October 2013.

Continuing professional development

The Directors keep abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company. The Company from time to time updates and provides training to the Directors, and organises seminars on the latest development of the Listing Rules, applicable laws, rules and regulations relating to Directors' duties and responsibilities.

Upon appointment to the Board, the Directors will be provided with a comprehensive briefing of the Group's businesses by senior executives. Continuing education and information are provided to the Directors regularly to ensure that the Directors are apprised of the latest changes in the commercial, legal and regulatory environment in which the Group conducts its businesses.

企業管治報告

Corporate Governance Report

於截至二零一三年十二月三十一日止年度，本公司舉行了一次內部培訓環節，內容有關醫藥產業。全體董事均已出席該次培訓。此外，個別董事亦已出席有關上市公司董事職務、職能及責任的其他課程，或透過參與培訓課程，或利用在線協助或閱讀相關資料進一步加強彼等的專業發展。

企業管治職能

董事會共同負責履行企業管治責任。年內，董事會將以下企業管治責任納入董事會職權範圍：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出推薦意見；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司遵守法例及監管規定的政策及慣例；
- 制定、檢討及監察行為守則以及遵守本公司僱員及董事適用的合規手冊(如有)；及
- 檢討本公司遵守守則的情況及在其年報內企業管治報告內的披露。

董事會多元化政策

於二零一三年八月二十九日，本公司根據守則所載規定採納董事會多元化政策。本公司確認並深信董事會多元化裨益良多，從而提升其表現質素。為實現可持續及均衡發展，本公司將董事會層面的日益多元化視作支持實現其策略目標及其可持續發展的要素。於設計董事會的組成方式時，已從多方面考慮董事會多元化，包括但不限於性別、年齡、文化及教育背景以及專業經驗。董事會的所有委任將以任人唯才為原則，並在考慮人選時以客觀條件以充分顧及董事會多元化的裨益。

During the year ended 31 December 2013, the Company has organised an in-house training session covering the topic of pharmaceutical industry. All Directors attended the training. In addition, individual directors also participated in other courses relating to the roles, functions and duties of a listed company director or further enhancement of their professional development by way of attending training courses or via online aids or reading relevant materials.

Corporate Governance Functions

The Board is collectively responsible for performing the corporate governance duties. During the year, the Board formalised the inclusion of the following corporate governance duties into the terms of reference of the Board:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Company's employees and the Directors; and
- to review the Company's compliance with the code and disclosure in the Corporate Governance Report in its Annual Report.

Board Diversity Policy

On 29 August 2013, the Company adopted the Board diversity policy in accordance with the requirement set out in the Code. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, and professional experience. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

企業管治報告 Corporate Governance Report

董事會會議

董事會預期定期會晤，每年最少四次。於定期的會議之間，本集團的高級管理層會定期就本集團的業務活動及發展向董事提供資料。在董事認為有必要時，董事可隨時獲取本集團的資料及獨立專業意見。

截至二零一三年十二月三十一日止年度，董事會舉行了六次會議，而各董事的出席情況如下：

Board Meetings

The Board is expected to meet regularly at least four times a year. Between scheduled meetings, the senior management of the Group provides information to Directors on a regular basis regarding the activities and development in the businesses of the Group. The Directors have full access to information on the Group and independent professional advice at all times whenever deemed necessary by the Directors.

The Board held six meetings during the year ended 31 December 2013 with the attendance of each Director as follows:

| 董事 | Directors | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|------------------------------------|---|--|------------------------|
| 執行董事： | Executive Directors: | | |
| 劉幫民先生(行政總裁) (於二零一三年四月九日獲 委任) | Mr. Liu Bang Min (Chief Executive Officer) (appointed on 9 April 2013) | 5/5 | 100% |
| 徐軍先生(於二零一三年 四月八日辭任) | Mr. Xu Jun (resigned on 8 April 2013) | 1/1 | 100% |
| 非執行董事： | Non-executive Directors: | | |
| Stephen Burnau Hunt先生(主席) | Mr. Stephen Burnau Hunt (Chairman) | 6/6 | 100% |
| 李晉頤先生(副主席) | Mr. Lee Jin Yi (Deputy Chairman) | 6/6 | 100% |
| 湯軍先生 | Mr. Tang Jun | 6/6 | 100% |
| 陶芳芳女士 | Ms. Tao Fang Fang | 5/6 | 83% |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 6/6 | 100% |
| 獨立非執行董事： | Independent non-executive Directors: | | |
| 陳記煊先生 | Mr. Chan Kee Huen, Michael | 6/6 | 100% |
| 鄧昭平先生 | Mr. Tang Chiu Ping, Raymond | 6/6 | 100% |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 6/6 | 100% |

就董事會的定期會晤而言，董事將至少提前十四天獲得書面會議通知及在會議前不少於三天獲得董事會議程及所需文件。就其他會議而言，在合理及切實的情況下，董事會盡量獲給予最早的通知。除本公司的章程細則所容許的該等情況外，於任何合約、交易、安排或向董事會提呈以供考慮的任何其他類別

With respect to regular meetings of the Board, the Directors will be given written notice of the meeting at least 14 days in advance and an agenda with supporting Board papers no less than three days prior to the meeting. For other meetings, Directors are given as much notice as is reasonable and practicable in the circumstances. Except for those circumstances permitted by the articles of association of the Company, a Director who has a material interest in any contract, transaction,

企業管治報告 Corporate Governance Report

建議中擁有重大權益的董事，將須就相關決議案放棄投票，且有關董事不會被計入法定人數內。

董事會制定其特定書面職權範圍，載列職務、職責、權力及職能，當中包括以下各項：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 負責根據現行的會計準則及法律編製並真實公平地呈列財務報表、批准財務報表以及委聘本集團外聘核數師及與其保持聯繫；
- 檢討本公司遵守守則的情況及在其年報的企業管治報告內的披露；
- 與所有監管機構及組織協調有關本集團的一切事務，並監察與本集團相關且影響本集團的政策變動；及
- 確保向本集團股東負責及保持足夠溝通。

年內，主席及非執行董事(包括獨立非執行董事，但不包括執行董事及高級管理人員)舉行會議，討論執行董事的表現。

董事會亦討論了本公司的企業管治政策以及董事會及董事委員會履行的職責(見下文)。

arrangement or any other kind of proposal put forward to the Board for consideration, will abstain from voting on the relevant resolution and such Director is not counted as quorum.

The Board has devised its specific written terms of reference setting out its duties, responsibilities, powers and functions which include the following:

- developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- taking responsibility for the preparation and the true and fair presentation of the financial statements in accordance with the prevailing accounting standards and laws, approving the financial statements and appointing and liaising with the Group's external auditors;
- reviewing the Company's compliance with the code and disclosure in the Corporate Governance Report in its Annual Report;
- liaising with all regulatory authorities and organisations on all matters relating to the Group, and monitoring changes in their policies relating to and affecting the Group; and
- ensuring accountability towards and sufficient communication with the Group's shareholders.

During the year, a meeting of the Chairman and the non-executive Directors (including independent non-executive Directors) without the presence of the executive director and senior management was held to discuss the performance of the executive director.

The Board also discussed the policy for the corporate governance of the Company and duties performed by the Board and the Board Committees (see below).

企業管治報告

Corporate Governance Report

董事委員會

董事會已成立審核委員會、薪酬委員會及執行委員會。各委員會的組成及職責請見下文。各委員會須根據各自的職權範圍向董事會提供建議，除各委員會的職權範圍另有訂明者外，其建議最終由董事會決定。

審核委員會

本公司的審核委員會由三名獨立非執行董事及兩名非執行董事組成。獨立非執行董事陳記煊先生現為審核委員會主席。審核委員會預期定期會晤，每年最少三次。

董事會已成立審核委員會，並已制定其書面職權範圍，載列董事會授予彼等的職務、職責及權力。審核委員會的職權範圍登載於本公司及聯交所網站。審核委員會的主要職務及職責包括：

- 監察與外聘核數師的關係，包括：
 - 就委任、續聘及罷免外聘核數師、批准外聘核數師的酬金及委聘條款向董事會提供建議以及處理任何有關核數師辭任或罷免的問題；
 - 按適用標準檢討及監察外聘核數師的獨立性及客觀性以及審核程序的效能；及
 - 就委聘外聘核數師提供非核數服務制定及執行政策；
- 審閱及監察本集團財務報表、年報及半年度報告的完整性，並審閱當中所載的重大財務報告判斷；及
- 檢討本集團財務報告及內部監控制度的有效性。

Board Committees

The Board has established the Audit Committee, the Remuneration Committee and the Executive Committee. Please see below for the composition and responsibilities of the committees. Each committee shall provide their recommendations to the Board based on their respective terms of reference. The decisions of the Board on such recommendations shall be final, unless otherwise stated in the terms of reference of these committees.

Audit Committee

The Audit Committee of the Company consists of three independent non-executive Directors and two non-executive Directors. Mr. Chan Kee Huen, Michael, an independent non-executive Director, currently serves as the chairman of the Audit Committee. The Audit Committee is expected to meet regularly at least three times per year.

The Board has established the Audit Committee with specific written terms of reference setting out the duties, responsibilities and authorities delegated by the Board. The terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange. The major duties and responsibilities of the Audit Committee include the following:

- oversee the relationship with the external auditor, including:
 - making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, approving the remuneration and terms of engagement of the external auditor and addressing any questions of resignation or dismissal of such auditor;
 - reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; and
 - developing and implementing policy on the engagement of the external auditor to supply non-audit services;
- review and monitor the integrity of the Group's financial statements, annual reports and half-year reports, and to review significant financial reporting judgements contained therein; and
- review the effectiveness of the financial reporting and internal control systems of the Group.

企業管治報告 Corporate Governance Report

截至二零一三年十二月三十一日止年度，審核委員會舉行了三次會議，而各成員的出席情況如下：

The Audit Committee held three meetings during the year ended 31 December 2013 with the attendance of each member as follows:

| 審核委員會成員姓名 | Name of Audit Committee members | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|----------------------------|--|--|------------------------|
| 陳記煊先生(主席) | Mr. Chan Kee Huen, Michael (<i>Chairman</i>) | 3/3 | 100% |
| 李晉頤先生 | Mr. Lee Jin Yi | 3/3 | 100% |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 3/3 | 100% |
| 鄧昭平先生 | Mr. Tang Chiu Ping, Raymond | 3/3 | 100% |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 3/3 | 100% |

截至二零一三年十二月三十一日止年度，審核委員會已：

During the year ended 31 December 2013, the Audit Committee had:

- 於呈交董事會批准前與管理層及外聘核數師審閱中期業績及年度業績以及有關公告，包括有關披露規定、財務報告的完整性及本集團所採納的會計政策；
 - 與管理層討論影響本集團綜合財務報表的重大判斷；
 - 審閱外聘核數師的薪酬及委聘條款，以及就外聘核數師的委任向董事會提供推薦建議；
 - 審閱及討論內部監控報告，包括在上一份報告中所提出的建議的實施情況；及
 - 審閱及評估本集團內部監控及風險管理的充足性及效力。
- reviewed with management and external auditor on the interim results and annual results and related announcements including the related disclosures, integrity of financial reporting and the accounting policies adopted by the Group prior to submission to the Board for approval;
 - discussed with management on significant judgements affecting the Group's consolidated financial statements;
 - reviewed the remuneration and terms of engagement of the external auditor and recommended the Board on the appointment of the external auditor;
 - reviewed and discussed the internal control reports including the status of implementing recommendations from the previous reports; and
 - reviewed and assessed the adequacy and effectiveness of the Group's internal control and risk management.

薪酬委員會

本公司的薪酬委員會由三名獨立非執行董事及兩名非執行董事組成。獨立非執行董事鄧昭平先生現為薪酬委員會主席。薪酬委員會預期定期會晤，每年至少一次。

Remuneration Committee

The Remuneration Committee of the Company consists of three independent non-executive Directors and two non-executive Directors. Mr. Tang Chiu Ping, Raymond, an independent non-executive Director, currently serves as the chairman of the Remuneration Committee. The Remuneration Committee is expected to meet regularly at least once per year.

企業管治報告

Corporate Governance Report

董事會已成立薪酬委員會，並已制定其書面職權範圍，載列董事會授予彼等的職務、職責及權力。薪酬委員會的職權範圍登載於本公司及聯交所網站。審核委員會的主要職務及職責為：

- 就本公司全體董事及高級管理層的薪酬政策及架構向董事會提供推薦建議及為制訂該等薪酬政策制定一套正式透明的程序，並在董事會考慮授予董事及高級管理層的薪酬總額及／或福利前不時提出該等推薦建議；
- 評估執行董事及高級管理層的表现；
- 考慮同類公司支付的薪酬、須付出的時間及職責以及本集團內其他職位的僱用條件；
- 遵守董事會不時指定或本公司組織章程所載或上市規則或任何適用法例所定的任何要求、指示及規例；
- 評估獨立非執行董事的獨立性；
- 釐定提名董事及高級管理層的政策；
- 就有關提名、委任或重新委任董事及高級管理層事宜向董事會作出推薦建議；及
- 至少每年審閱董事會的架構、規模及多元化(包括但不限於性別、年齡、文化及教育背景以及專業經驗)，並就任何建議變動向董事會作出推薦建議，以實行本公司的企業策略。

The Board has established the Remuneration Committee with specific written terms of reference setting out the duties, responsibilities and authorities delegated by the Board. The terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange. The major duties and responsibilities of the Remuneration Committee are:

- to make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy and placing such recommendations before the Board concerning the total remuneration and/or benefits granted to the Directors and senior management from time to time;
- to assess the performance of executive Directors and senior management;
- to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- to conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or any applicable law;
- to assess the independence of independent non-executive Directors;
- to determine the policy for the nomination of Directors and senior management;
- to make recommendations to the Board on the nomination, appointment or re-appointment of Directors and senior management; and
- to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, and professional experience) of the Board at least annually; and make recommendations on any proposed changes to the Board to implement the Company's corporate strategy.

企業管治報告 Corporate Governance Report

截至二零一三年十二月三十一日止年度，薪酬委員會舉行了三次會議，而各成員的出席情況如下：

The Remuneration Committee held three meetings during the year ended 31 December 2013 with the attendance of each member as follows:

| 薪酬委員會成員姓名 | Name of Remuneration Committee members | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|----------------------------|---|--|------------------------|
| 鄧昭平先生(主席) | Mr. Tang Chiu Ping, Raymond (<i>Chairman</i>) | 3/3 | 100% |
| Stephen Burnau Hunt先生 | Mr. Stephen Burnau Hunt | 3/3 | 100% |
| 李晉頤先生 | Mr. Lee Jin Yi | 3/3 | 100% |
| 陳記煊先生 | Mr. Chan Kee Huen, Michael | 3/3 | 100% |
| Fritz Heinrich Horlacher先生 | Mr. Fritz Heinrich Horlacher | 3/3 | 100% |

截至二零一三年十二月三十一日止年度，薪酬委員會(i)對執行董事及高級管理層的表演進行評估；(ii)檢討董事及高級管理層的薪酬架構／待遇以及就其薪酬向董事會提供推薦建議；(iii)釐定提名董事的政策；(iv)討論董事會多元化政策的實行情況；及(v)就於下屆股東週年大會建議重選退任董事向董事會作出推薦建議。

During the year ended 31 December 2013, the Remuneration Committee (i) assessed the performance of the executive Director and the senior management; (ii) reviewed the remuneration structure/package of the Directors and the senior management, and made recommendation to the Board on their remuneration; (iii) determined policy for the nomination of Directors; (iv) discussed the implementation of the Board diversity policy; and (v) make recommendation to the Board on the proposed re-election of the retiring Directors at the forthcoming annual general meeting.

企業管治報告 Corporate Governance Report

截至二零一三年十二月三十一日止年度董事酬金明細如下：

The following table shows the breakdown of Directors' remuneration for the year ended 31 December 2013:

| | | 薪金、津貼和 袍金 | 實物福利 | 退休福利 計劃供款 | 總計 |
|--------------------------|--|-----------------|--|---|-----------------|
| | | Fees | Salaries, allowances and benefits in kind | Retirement benefit plans contributions | Total |
| | | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 | 千美元 US\$'000 |
| 執行董事： | Executive Directors: | | | | |
| 劉幫民(於二零一三年四月九日獲委任) | Liu Bang Min (appointed on 9 April 2013) | – | 179 | 16 | 195 |
| 徐軍(於二零一三年四月八日辭任) | Xu Jun (resigned on 8 April 2013) | – | 40 | 3 | 43 |
| 非執行董事： | Non-executive Directors: | | | | |
| Stephen Burnau Hunt | Stephen Burnau Hunt | 39 | – | – | 39 |
| 李晉頤 | Lee Jin Yi | – | – | – | – |
| 湯軍 | Tang Jun | – | 8 | – | 8 |
| 陶芳芳 | Tao Fang Fang | – | – | – | – |
| 葉佩玲 | Yip Pui Ling, Rebecca | – | – | – | – |
| 獨立非執行董事： | Independent non-executive Directors: | | | | |
| 陳記煊 | Chan Kee Huen, Michael | 32 | – | – | 32 |
| 鄧昭平 | Tang Chiu Ping, Raymond | 32 | – | – | 32 |
| Fritz Heinrich Horlacher | Fritz Heinrich Horlacher | 29 | – | – | 29 |
| | | 132 | 227 | 19 | 378 |

截至二零一三年十二月三十一日止年度高級管理人員的成員按組別劃分的酬金：

The remuneration of the members of the senior management by band for the year ended 31 December 2013:

| | | 二零一三年 2013 人數 No of individuals |
|---------------------|-------------------------|--|
| 零至129,000美元* | Nil-US\$129,000* | 7 |
| 129,001美元至193,500美元 | US\$129,001-US\$193,500 | 1 |

企業管治報告 Corporate Governance Report

* 劉曉東先生辭任本集團高級副總裁，自二零一三年一月三十一日生效；及潘莉蓉女士辭任本集團高級副總裁，自二零一三年十月三十一日生效；及魯俞江先生辭任本集團高級副總裁及寧波立華總經理，自二零一三年十一月三十日生效。劉先生、潘女士及魯先生的酬金列入零至129,000美元的組別內。

* Mr. Liu Xiao Dong resigned from the senior vice president of the Group, effective 31 January 2013; and Ms. Poon Lei Yung resigned from the senior vice president of the Group, effective 31 October 2013; and Mr. Lu Yu Jiang resigned from the senior vice president of the Group and general manager of Ningbo Liwah, effective 30 November 2013. The remuneration of Mr. Liu, Ms. Poon and Mr. Lu were included in the band ranged from nil to US\$129,000.

執行委員會

本公司的執行委員會由一名執行董事及三名非執行董事組成，非執行董事李晉頤先生現為執行委員會主席。

Executive Committee

The Executive Committee of the Company consists of one executive Director and three non-executive Directors. Mr. Lee Jin Yi, a non-executive Director, currently serves as the chairman of the Executive Committee.

董事會已成立執行委員會並制定書面職權範圍，列明董事會賦予的職務、職責及權力。執行委員會的主要職務及職責包括審閱財務及財務相關事宜、協助制訂年度及中長期公司策略、審批新業務發展計劃及審批研發項目。

The Board has established the Executive Committee with specific written terms of reference setting out the duties, responsibilities and authorities delegated by the Board. The major duties and responsibilities of the Executive Committee include reviewing the financials and financial-related matters, assisting in developing annual and medium- to long-term corporate strategies, reviewing and approving new business development plans, and reviewing and approving research and development projects.

執行委員會成員通常每月舉行會議，及時了解本集團最新的經營情況和業績表現，以及監察並確保管理層實行董事會所訂立的方向及策略。

Executive Committee members normally meet every month to keep abreast of the latest activities and performance of the Group and to monitor and ensure that management carries out the directions and strategies set by the Board.

截至二零一三年十二月三十一日止年度，執行委員會舉行了十次會議，而各成員的出席情況如下：

The Executive Committee held ten meetings during the year ended 31 December 2013 with the attendance of each member as follows:

| 執行委員會成員姓名 | Name of Executive Committee members | 出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held | 出席率 Attendance rate |
|--------------------------|---|--|------------------------|
| 李晉頤先生(主席) | Mr. Lee Jin Yi (Chairman) | 10/10 | 100% |
| 劉幫民先生(於二零一三年 四月九日獲委任) | Mr. Liu Bang Min (appointed on 9 April 2013) | 9/9 | 100% |
| 徐軍先生(於二零一三年 四月八日辭任) | Mr. Xu Jun (resigned on 8 April 2013) | 1/1 | 100% |
| 陶芳芳女士 | Ms. Tao Fang Fang | 10/10 | 100% |
| 葉佩玲女士 | Ms. Yip Pui Ling, Rebecca | 10/10 | 100% |

企業管治報告 Corporate Governance Report

問責及審核

財務報告

董事知悉彼等須根據法定要求及會計標準編製本集團財務報表的責任，亦知悉彼等須確保本集團財務報表適時刊發的責任。

香港立信德豪會計師事務所有限公司知悉其於截至二零一三年十二月三十一日止年度之綜合財務報表的核數師報告內之報告責任。

董事及核數師有關財務報表的責任載列於本報告第61至62頁「獨立核數師報告」。

管理層每月向董事會全體成員提供更新資料，詳細載列有關本集團的表現及狀況，提供平衡及易於理解的評估。

核數師酬金

於本年度，香港立信德豪會計師事務所有限公司獲委任為本集團核數師，任期至下屆股東週年大會結束時止。

於截至二零一三年十二月三十一日止年度，就香港立信德豪會計師事務所有限公司提供之核數及非核數服務而已付／應付之費用如下：

| 服務性質 | Services rendered | 已付／應付費用 Fee paid/payable 千美元 US\$'000 |
|-------|--------------------|--|
| 核數服務 | Audit services | 142 |
| 非核數服務 | Non-audit services | 31 |

非核數服務主要包括有關關連交易的中期審閱及其他專業服務。

Accountability and Audit

Financial Reporting

The Directors acknowledge their responsibilities for preparing the financial statements of the Group in accordance with statutory requirements and accounting standards. The Directors also acknowledge their responsibilities to ensure that the financial statements for the Group are published in a timely manner.

BDO Limited acknowledges its reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31 December 2013.

The Directors' and auditor's responsibilities in respect of the financial statements are set out in the "Independent Auditor's Report" on pages 61 to 62 in this report.

Management has provided to all members of the Board with monthly updates giving a balanced and understandable assessment of the Group's performance and position in detail.

Auditor's Remuneration

During the year, BDO Limited was appointed as the Group's auditor until the conclusion of next AGM.

During the year ended 31 December 2013, the fees paid/payable to BDO Limited in respect of audit and non-audit services were as follows:

The non-audit services mainly consisted of interim review and other professional services in relation to the connected transactions.

公司秘書

公司秘書梅志雄先生在對董事會的支援上發揮重要作用，確保董事會內資訊暢順流通及依循董事會政策及程序。

Company Secretary

The Company Secretary, Mr. Mui Chi Hung, plays an important role in supporting the Board by ensuring good information flow within the Board and that board policy and procedures are followed.

企業管治報告

Corporate Governance Report

全體董事可獲得公司秘書的建議及服務，而公司秘書就管治及監管事項定期向董事會提供最新資料，並安排董事的入職培訓及專業發展。

於截至二零一三年十二月三十一日止年度，公司秘書已進行不少於15小時的專業培訓，符合上市規則第3.29條的規定。

內部監控及風險評估

董事會須負責本集團的內部監控系統並須負責檢討該系統的成效，包括財務、營運及合規監控。董事會致力實施有效及完善的內部監控系統以保障股東的利益及本集團的資產。

為進一步鞏固本集團的內部監控，本公司已成立內部監管部門。本公司多名部門主管定期與內部監管部門會面，確保本集團設有及維持健全的內部監控制度。為增進本集團相關人員的知識，本公司於適當時就相關規則及適用法例向彼等提供培訓。

年內，內部監管部門已就某些重要監控領域（涉及財務、營運及合規監控以及風險管理功能）進行內部監控審閱。本公司認為內部監管部門現時屬充足，並將於日後有需要時考慮成立內部審核職能。

此外，管理層已經分析監控環境及風險評估，評估各項所實行的監控措施，並與董事會協定內部監控制度的檢討範圍。檢討方式包括與有關管理層及職員進行討論、審閱有關內部監控系統的文件、對內部監控設計上任何不足之處的結果進行評估，以及提供改善建議（如適用）。另一方面，董事會繼續不時檢討業務發展及營運對內部監控系統的影響，以評價本集團設立內部審核職能的需要。

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters and should also facilitate induction and professional development of Directors.

During the year ended 31 December 2013, the Company Secretary has undertaken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

Internal Control and Risk Assessment

The Board is responsible for the internal control system of the Group and has the responsibility for reviewing its effectiveness including financial, operational and compliance controls. The Board is committed to implement an effective and sound internal control system to safeguard the interest of shareholders and the Group's assets.

To further strengthen the internal control of the Group, an internal control department was established. Several department heads of the Company met with the internal control department regularly to ensure a sound internal control system is in place and maintained. To enhance the knowledge of relevant staff of the Group, training will be provided to them in the matter of relevant rules and applicable laws as and when appropriate.

During the year, the internal control department has performed internal control reviews covering certain key control areas including financial, operational and compliance controls and risk management functions. The Company considered that the internal control department is sufficient at this moment and will consider establishing an internal audit function in the future if necessary.

Also, management has analysed the control environment and risk assessment, assessed the various controls implemented and agreed with the Board on the scope of review over the system of internal controls. The approach of the review includes discussion with relevant management and staff members, reviewing relevant documentation of the internal control system and evaluating findings on any deficiencies in the design of the internal controls and developing recommendations for improvement, where appropriate. On the other hand, the Board continues to review, from time to time, the impact of development of business and operations on the system of internal control to evaluate the need for setting up an internal audit function for the Group.

企業管治報告

Corporate Governance Report

管理層已向審核委員會報告檢討結果，使其能就系統的成效進行評估。審核委員會曾舉行會議討論調查所得，並已認可有關的檢討結果送交董事會審閱。基於所提供的資料連同其本身的觀察，並在審核委員會的協助下，董事會信納就本集團的營運及業務性質及規模而言，現行內部監控及風險管理程序達滿意水準。董事會將繼續確保管理層會不時就系統及程序作適當檢討，以保持高水準的內部監控，並將於必要時對內部監控作出改變。

Management has reported the results of the reviews to the Audit Committee for its evaluation on the effectiveness of the system. Meetings were held by the Audit Committee to discuss the findings and the results of the reviews which were endorsed for reporting to the Board. The Board is satisfied that, based on the information supplied, coupled with its own observations and with the assistance of the Audit Committee, the present internal controls and risk management processes are satisfactory for the nature and size of the Group's operations and business. The Board will continue to ensure that appropriate review of the systems and procedures is being carried out by management from time to time to maintain a high standard of internal control and will make appropriate changes to the internal control system, if necessary.

內幕消息

本公司對於有關處理及發放內幕消息的程序及內部監控措施：

- 知悉其根據上市規則及證券及期貨條例項下的責任，原則是涉及內幕消息時必須在有所決定後即時公佈；
- 成立內幕消息監控團隊，監察內幕消息事宜並及時向董事會匯報；
- 根據證券及期貨事務監察委員會頒佈的內幕消息披露指引實施其自訂的政策及申報制度；及
- 就外界對本集團事務作出的查詢訂立及落實回應程序。

Inside information

With respect to the procedures and internal controls for the handling and dissemination of inside information, the Company

- is aware of its obligations under the Listing Rules and the SFO and the overriding principle that information which is expected to be inside information should be announced once it is the subject of a decision;
- has set up an inside information control team to supervise inside information matters and report to the Board in a timely manner;
- has implemented its own policy and reporting system based on Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commission; and
- has established and implemented procedures for responding to external enquiries about the Group's affairs.

董事及高級職員的責任

於二零一三年／二零一四年度，本公司已為所有董事及高級管理人員更新董事及高級職員的責任保險。該等保險就企業活動上所產生的成本、費用、開支及責任為該等董事及高級管理人員提供保障。

Directors' and officers' liability

The Company has renewed Directors' and Officers' liabilities insurance for all the Directors and senior management of the Company for the year 2013/2014. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of corporate activities.

企業管治報告 Corporate Governance Report

與股東的溝通

董事認同本公司股東長期支持的重要性，故董事會非常重視股東表達觀點的權利，並對股東向本公司提供建議感到由衷感謝。

本公司的投資者關係活動包括：

- 定期與分析員及投資者舉行會議（一對一會議／小組會議、路演或實地考察）；
- 與分析員及傳媒舉行會議，宣佈公司業績；
- 舉行股東週年大會，以提供機會讓股東直接與董事會溝通；
- 按時於本公司及聯交所網站刊發公告、中期報告、年報及／或通函；及
- 於本公司網站提供本集團的最新資料。

於截至二零一三年十二月三十一日止年度，本公司之組織章程大綱及章程細則並無變動。

股東權利

本公司股東週年大會為股東提供機會，可與董事、管理層及外聘核數師會面並向他們提問。

本公司將安排董事會主席及各董事委員會的主席出席股東週年大會，與股東交流意見及解答股東問題。

只要股東的股份已記錄於本公司股東名冊，任何股東便有權出席股東週年大會，且本公司鼓勵股東出席股東週年大會。本公司將於大會舉行前最少20個完整營業日或21整日（以較長者為準）向股東發出股東週年大會通知。

本公司上屆股東週年大會為於二零一三年五月十五日在香港德輔道中77號盈置大廈三樓倫敦廳舉行的二零一三年股東週年大會（「二零一三年股東週年大會」）。全體董事及本公司外聘核數師香港立信德豪會計師事務所有限公司均有出席二零一三年股東週年大會。

Communications with Shareholders

The Directors recognise the importance of long-term support from the shareholders of the Company. The Board highly respects the shareholders' rights to express their views and appreciates their suggestions to the Company.

Our investor relations activities include:

- regular meetings (one-to-one/group meetings, roadshows or site visits) with analysts and investors;
- conferences with analysts and the press to announce the Company's results;
- the holding of an AGM which provides an opportunity for the shareholders to communicate directly with the Board;
- the publication of announcements, interim reports, annual reports and/or circulars on a timely basis via the Company's and the Stock Exchange's websites; and
- the availability of the latest information of the Group on the Company's website.

There is no change in the Company's memorandum and articles of association during the year ended 31 December 2013.

Shareholder's Rights

The AGM provides opportunities for the shareholders to meet and raise questions to our Directors, management and the external auditor.

The Company will arrange for the Chairman of the Board and the respective chairman of each of the Board Committees to attend the AGM to exchange views with shareholders and answer their questions.

Any shareholder is encouraged and entitled to attend the AGM, provided that their shares have been recorded in the register of members of the Company. The notice of AGM will be given to all shareholders at least 20 clear business days or 21 clear days (whichever is longer) before the meeting.

The last annual general meeting of the Company was the 2013 annual general meeting ("2013 AGM"), held on 15 May 2013 at London Room, 3/F., Nexus Building, 77 Des Voeux Road Central, Hong Kong. All Directors and the external auditor of the Company, BDO Limited, attended the 2013 AGM.

企業管治報告 Corporate Governance Report

本公司於二零一三年股東週年大會上提呈獨立決議案，包括建議宣派末期股息、重選董事、續聘核數師、授權發行及購回股份的一般授權。本公司採用按股數投票方式表決所有決議案。

所有於二零一三年股東週年大會上向股東提呈的決議案已獲通過。本公司香港股份過戶登記處卓佳證券登記有限公司獲委任為監察人，監察及點算於大會的表決票數。按股數投票表決的結果於大會上宣佈以及於本公司及聯交所網站登載。

股東可召開股東特別大會（「股東特別大會」）的途徑

本公司董事須應股東要求立即正式召開股東特別大會，該等股東須於提出要求當日持有附帶於本公司股東大會表決權利的不少於十分一本公司繳足股本，而不論其章程細則為何。

提出要求須列明召開會議目的，並須由要求者簽署，呈交至本公司的主要營業地點（地址為香港德輔道中189號李寶椿大廈12樓1203-4室）予公司秘書，當中或附有若干文件，由一名或多名要求者簽署的各張表格。

有關要求將由本公司的股份過戶登記處核實，並待彼等確認該要求為恰當後，公司秘書將向董事會提出將有關決議案載入股東特別大會議程內。

如董事自提交要求當日起計二十一日內並無正式召開大會，要求者可自行召開大會，惟任何就此召開的大會須於所述日期起計兩個月內舉行。

向董事會提問的程序

問題須以書面提出並隨附提問者的聯絡資料，呈交至本公司的主要營業地點（地址為香港德輔道中189號李寶椿大廈12樓1203-4室）予公司秘書。

At the 2013 AGM, separate resolutions including declaration of final dividend, the re-election of Directors, the re-appointment of auditor, the authorisation to grant the general mandate to issue and repurchase of shares were proposed. The Company adopted poll voting for all resolutions.

All resolutions put to shareholders at the 2013 AGM were passed. The Company's Hong Kong Share Registrar, Tricor Investor Services Limited, was appointed as scrutineers to monitor and count the poll votes cast at that meeting. The results of the voting by poll were declared at the meeting and published on the websites of the Company and the Stock Exchange.

The way by which shareholders can convene an extraordinary general meeting ("EGM")

The Directors, notwithstanding anything in the Company's articles of association shall, on the requisition of shareholders 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 having the right of voting at general meetings of the Company, forthwith proceed duly to convene an EGM.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the Company Secretary at the Company's principal place of business at Suites 1203-4, 12/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong, and may consist of several documents in like form each signed by one or more requisitionists.

The request will be verified with the Company's Share Registrars and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the EGM.

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 may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of two months from the said date.

The procedures for sending enquiries to the Board

The enquiries must be in writing with contact information of the requisitionists and deposited at the Company Secretary at the Company's principal place of business at Suites 1203-4, 12/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong.

企業管治報告 Corporate Governance Report

於股東大會動議的程序

如於股東週年大會或股東特別大會提呈議案，股東須附上該等議案的書面通知，連同詳細聯絡資料，呈交至本公司的主要營業地點(地址為香港德輔道中189號李寶椿大廈12樓1203-4室)予公司秘書。有關要求將由本公司的股份過戶登記處核實，並待彼等確認該要求為恰當後，公司秘書將向董事會提出將有關決議案載入股東大會議程內。

就股東於股東週年大會或股東特別大會所提呈議案而給予全體股東考慮的通知期限根據議案的性質釐定如下：

- 倘議案於股東特別大會上構成一項普通決議案，最少14日書面通知(通知期包括10個營業日)。
- 倘議案於股東特別大會上構成本公司一項特別決議案或於股東週年大會上構成本公司任何一項決議案，最少21日書面通知(通知期包括20個營業日)。

投資者關係的聯絡事宜

本公司重視股東、投資者及公眾人士的反饋意見。歡迎透過以下途徑向本公司提出查詢及建議：

香港

請按以下方式聯絡我們的公司秘書：

電話：(852) 2828 9285
郵件：香港德輔道中189號李寶椿大廈
12樓1203-4室
電郵：ir@lansen.com.cn

中國

請按以下方式聯絡我們的投資者關係部：

電話：(86) 755 2532 3102
郵件：中國深圳市羅湖區紅寶路139號
京基100 D座1804室
(郵編518001)
電郵：ir@lansen.com.cn

於本公司網站www.lansen.com.cn可提供最新的投資者關係資料。

The procedures for making proposals at Shareholders' Meetings

To put forward proposals at an AGM or EGM, the shareholders should submit a written notice of those proposals with detailed contact information to the Company Secretary at the Company's principal place of business at Suites 1203-4, 12/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong. The request will be verified with the Company's Share Registrars and upon their confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the resolution in the agenda for the general meeting.

The notice period to be given to all shareholders for consideration of the proposal raised by the shareholders concerned at an AGM or EGM varies according to the nature of the proposal, as follows:

- At least 14 days' notice (the notice period must include 10 business days) in writing if the proposal constitutes an ordinary resolution of the Company in an EGM.
- At least 21 days' notice (the notice period must include 20 business days) in writing if the proposal constitutes a special resolution of the Company in an EGM or any resolution of the Company in an AGM.

Investor Relations Contacts

The Company values feedbacks from shareholders, investors and the public. Enquiries and proposals are welcome and can be put to the Company via the following means:

Hong Kong

Please contact our Company Secretary at:

By phone：(852) 2828 9285
By post：Suite 1203-4, 12/F., Li Po Chun Chambers,
189 Des Voeux Road Central, Hong Kong
By e-mail：ir@lansen.com.cn

The PRC

Please contact our Investor Relations Department at:

By phone：(86) 755 2532 3102
By post：Room 1804, Tower D, KK100, 139 Hongbao Road,
Luohu District, Shenzhen, PRC (Post code 518001)
By e-mail：ir@lansen.com.cn

The latest investor relations information is available on the Company's website at www.lansen.com.cn.