

## CORPORATE GOVERNANCE PRACTICES

The board of directors (the “Directors” or the “Board”) and management of the Company (together with its subsidiaries, the “Group”) are committed to principles of good corporate governance so as to safeguard the interests of shareholders and enhance value to the shareholders.

Throughout the year ended 31st December, 2018 (the “Year”), the Company had applied the principles and complied with substantial code provisions (the “Code Provisions”) and certain recommended best practices set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

## THE BOARD

### Board Composition

The Board currently comprises four Executive Directors (“ED(s)”), two Non-executive Directors (“NED(s)”) and three Independent Non-executive Directors (“INED(s)”), with INEDs representing one-third of the Board. Names of each member of the Board are set out in this Corporate Governance Report.

During the Year, Mr. Lau, Ming-wai acted as the Chairman of the Board (the “Chairman”) and Ms. Chan, Sze-wan acted as the Chief Executive Officer (“CEO”). The roles of the Chairman and the CEO are separated and their respective roles and responsibilities were set out in writing.

“List of Directors and their Role and Function” has been maintained at the websites of the Company and the Stock Exchange. The Directors’ biographies and the relationship among the Board members, if any, are set out in the Profiles of Directors of this annual report and available on the Company’s website. Save as disclosed in such profiles, there is no financial, business, family or other material/relevant relationship among the Directors.

## 企業管治常規

本公司(連同其附屬公司,「本集團»)董事會(「董事」或「董事會»)及管理層堅守良好的企業管治原則,以保障股東權益及為股東帶來更佳回報。

截至二零一八年十二月三十一日止年度(「本年度»)全年,本公司已應用香港聯合交易所有限公司(「聯交所»)證券上市規則(「上市規則»)附錄十四《企業管治守則》(「常規守則»)之原則及遵守其絕大部份守則條文(「守則條文»)及若干建議最佳常規。

## 董事會

### 董事會之組成

董事會現由四名執行董事(「執行董事»)、兩名非執行董事(「非執行董事»)及三名獨立非執行董事(「獨立非執行董事»)組成,而獨立非執行董事之人數佔董事會三分之一。董事會各成員之姓名載列於本企業管治報告書內。

於本年度,劉鳴煒先生出任董事會主席(「主席»),而陳詩韻女士出任行政總裁(「行政總裁»)。主席及行政總裁之角色分立,而其各自之角色及職責以書面列載。

「董事名單與其角色及職能」已載於本公司及聯交所網站。董事之簡介及董事會成員之間的關係(如有)載於本年報董事簡介內,並登載於本公司網站。除於該簡介內所披露外,董事之間並無財務、業務、家族或其他重大/相關關係。

## THE BOARD (Cont'd)

### Responsibilities of Directors

The NEDs and INEDs with diversified expertise, skills and experience play an important role on formulating strategy and ensuring that the Board maintains high standards of corporate governance as well as taking the lead where potential conflict of interests arises. The Board has received from each INED a written annual confirmation of his/her independence and satisfied that the independence of INEDs up to the date of this annual report is in accordance with the Listing Rules.

On monthly basis, senior management provides the Directors with operational and financial reports of the Group's performance, position and prospects. All Directors are kept informed of and duly briefed of major changes and information that may affect the Group's businesses in a timely manner.

Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and consult with the Company's senior management or the company secretary (the "Company Secretary") independently.

### Retirement by Rotation and Specific Term of Office

The Company's Bye-laws provides that no Director (save for the executive chairman and any managing director) shall hold office for a continuous period in excess of three years, or past the third annual general meeting, following the Directors' appointment or re-election, whichever is longer, without submitting himself/herself for re-election by the shareholders at the annual general meetings. Accordingly, Directors shall retire by rotation at least once every three years and a specific term of office has been fixed for appointment of Directors. During the Year, there was no executive chairman or managing director in the Board.

## 董事會 (續)

### 董事之責任

擁有不同專門知識、技能及經驗之非執行董事及獨立非執行董事在擬定策略及確保董事會維持高水平企業管治方面擔當重要角色，亦能於出現潛在利益衝突時起牽頭作用。董事會已接獲各獨立非執行董事確認彼等獨立性之年度確認書，並滿意截至本年報日期止彼等之獨立性乃符合上市規則。

高級管理層就本集團之表現、狀況及展望每月向董事提呈營運及財務報告。本集團會及時地向所有董事匯報並簡報任何有可能影響本集團業務之重大轉變及資料。

董事可為履行職責而尋求獨立專業意見，費用由本公司支付，而本公司亦鼓勵董事獨立接觸並諮詢本公司之高級管理層或公司秘書（「公司秘書」）。

### 輪席告退及特定任期

本公司之公司細則規定董事（除執行主席及任何董事總經理外）不得在未於股東週年大會上獲得股東重選之情況下，持續出任董事職位超過三年，或於獲委任或重選連任後出任董事職位超逾三次股東週年大會，兩者以較長期間為準。據此，董事須最少每三年輪席告退一次，並就董事之委任制定了特定任期。於本年度，董事會並沒有執行主席或董事總經理。

## THE BOARD (Cont'd)

### Board Meetings

The Board met regularly throughout the Year to discuss the overall strategy, the operational and financial performance of the Group. Four regular Board meetings were held during the Year. Advance notices of not less than fourteen days were served upon each Director for regular Board meetings. All accompanying Board papers were sent to the Directors in a timely manner and at least three days before the meetings (or such other period as agreed). Adequate explanation and information were given to the Directors by the management to facilitate the Directors in decision-making. Each Director has to declare his/her interest and abstain from voting on any Board resolution in which he/she or any of his/her associate has a material interest in accordance with the Bye-laws of the Company and the Listing Rules.

The agenda of each Board meeting is set by the Chairman in consultation with members of the Board such that they are given an opportunity to include agenda items. Draft and executed Board minutes were sent in good time to all Directors for their comments and records. Minutes of the Board meetings recorded in sufficient details were kept by the Company Secretary.

### Board and Management Functions

The functions reserved to the Board are basically provided in the Bye-laws of the Company and the Board from time to time delegates certain functions to senior management whenever required. In short, the Board has reserved for its decision on matters relating to the Group's strategy, major acquisitions and disposals, major capital expenditure, annual and interim results, Directors' appointment and other significant financial and operational issues.

On top of daily business operation, senior management is responsible for the preparation of annual and interim consolidated financial statements for the Board's approval, execution of business strategies and initiatives adopted by the Board, implementation of adequate system of internal control and sound risk management practices and is required to report to the Board and obtain its prior approval on important matters at all times. Notwithstanding the delegation, the Directors acknowledge that it is the responsibility of the Board for preparing the financial statements, which give a true and fair view of the financial results of the Group.

## 董事會 (續)

### 董事會會議

董事會於本年度內定期開會商討本集團整體策略、營運及財務表現。本公司於本年度舉行四次定期董事會會議。舉行定期董事會會議前已向各董事發出最少十四日之通告。所有相關會議文件均已於會議舉行前最少三日（或其他協定之期間）及時送呈各董事。管理層向董事提交充足解釋及資料，以便董事作出決策。各董事須根據本公司之公司細則及上市規則，於其或其任何聯繫人擁有重大權益之任何董事會決議案，申報其權益並放棄投票。

為給予董事會成員擬定董事會會議商討事項之機會，董事會會議之議程會於主席諮詢董事會成員後訂定。董事會會議記錄之初稿及定稿已盡早送呈各董事，以供彼等提供意見及存檔。公司秘書負責保存載有詳盡細節之董事會會議記錄。

### 董事會及管理層職能

本公司之公司細則基本上已訂明董事會之職能，而董事會會按需要不時將若干職能委以高級管理層。簡而言之，董事會在有關本集團策略、主要收購及出售、重大資本開支、年度及中期業績、董事之委任及其他重大財務及營運事宜上保留決策權。

除日常業務營運外，高級管理層亦負責編製年度及中期綜合財務報表供董事會批准、執行董事會採納之業務策略及措施、履行妥善之內部監控系統及穩健之風險管理程序，並在任何情況下須就重大事項向董事會匯報和取得其事先批准。儘管作出委託，董事確認編製真實且公平地反映本集團財務業績之財務報表乃董事會之責任。

## THE BOARD (Cont'd)

## Directors' Training and Support

The Company encourages its Directors to possess up-to-date knowledge in order to discharge their duties. Information regarding major changes in Hong Kong Financial Reporting Standards and Listing Rules as well as other laws/rules/regulations had been provided to the Directors.

During the Year, the Company has arranged Directors' training regarding "Duties of Directors and Role and Function of Board Committee". Meanwhile, Directors had provided their record of trainings to the Company. The Board considered the trainings attended by the Directors are sufficient to discharge their duties. A summary of the trainings attended by the Directors during the Year is as follows:—

## 董事會 (續)

## 董事培訓及支援

本公司鼓勵各董事時刻掌握最新知識以履行其職責。有關香港財務報告準則及上市規則以及其他法律／條例／規則重大變更之資料已提供予各董事。

於本年度，本公司安排了董事培訓，內容有關「董事的職責及董事委員會的角色及職能」。與此同時，董事已向本公司提供其培訓記錄。董事會認為董事所參與之培訓足以讓彼等履行其職責。董事於本年度內所參與之培訓摘要如下：—

Training Matters 培訓事項					
Name of Directors	董事姓名	Corporate Governance 企業管治	Regulatory/ Legal 監管規定／法律	Accounting/ Tax/Finance 會計／ 稅務／財務	Business/ Economic/ Management/ Information Technology 商業／經濟／ 管理／資訊科技
<b>Executive Directors</b>					
Ms. Chan, Sze-wan (CEO)	陳詩韻女士 (行政總裁)	b	b	—	c
Ms. Chan, Hoi-wan	陳凱韻女士	b	b	—	—
Ms. Chan, Lok-wan	陳諾韻女士	b	b	—	c
Mr. Lam, Kwong-wai	林光蔚先生	a, b & c	a, b & c	a & c	a & c
<b>Non-executive Directors</b>					
Mr. Lau, Ming-wai (Chairman)	劉鳴煒先生 (主席)	b	b	—	—
Ms. Amy Lau, Yuk-wai	劉玉慧女士	b	b	—	c
<b>Independent Non-executive Directors</b>					
Mr. Chan, Kwok-wai	陳國偉先生	a, b & c	a, b & c	a & c	a & c
Ms. Phillis Loh, Lai-ping	羅麗萍女士	b & c	a, b & c	c	c
Mr. Ma, Tsz-chun	馬時俊先生	b & c	b & c	a & c	a

Notes:—

## Training Method

- a: attending training session/seminar/conference/course  
b: viewing webcast  
c: self-reading

附註：—

## 培訓方式

- a: 參與培訓課程／研討會／會議／課程  
b: 觀看網絡播放  
c: 自行閱讀

## BOARD COMMITTEES

The Board has established Audit Committee, Remuneration Committee and Nomination Committee (collectively, the “Board Committees”) with clear written terms of reference which are of no less exacting terms than those set out in the CG Code. Details of the respective committee’s terms of reference are available at the Company’s and the Stock Exchange’s websites. All the INEDs, i.e. Mr. Chan, Kwok-wai, Ms. Phillis Loh, Lai-ping and Mr. Ma, Tsz-chun are members of the Board Committees with Mr. Chan, Kwok-wai acts as chairman of the Audit Committee and the Remuneration Committee while Ms. Phillis Loh, Lai-ping acts as chairman of the Nomination Committee. The members of Audit Committee possess appropriate professional qualifications, accounting or related financial management expertise, which is higher than the Listing Rules’ requirement.

All accompanying meeting papers were sent to the members in a timely manner and at least three days before the meetings (or such other period as agreed). Draft and executed minutes of the meetings were sent in good time to all members for their comments and records. Minutes of the meetings recorded in sufficient details were kept by the Company Secretary. Professional advice and sufficient resources would be given whenever necessary to allow the Board Committees to discharge their duties.

### Audit Committee

#### Role and Function

The Audit Committee is responsible for reviewing the Group’s corporate governance, financial reporting, risk management and internal control. It plays an advisory role and makes relevant recommendations to the Board.

#### Meetings

The Audit Committee held four meetings during the Year, with the presence of the representative(s) of the Group’s internal audit department (the “Internal Audit Department”) in those meetings involving discussion on internal audit reports prepared by Internal Audit Department. Senior management was co-opted to join the meetings of the Audit Committee to explain the financial and business conditions of the Group to the committee members from time to time.

## 董事會轄下委員會

董事會成立了審核委員會、薪酬委員會及提名委員會（統稱「董事會轄下委員會」），委員會清晰的書面職權範圍之條款不遜於常規守則所載。各委員會之職權範圍詳情可於本公司及聯交所網站瀏覽。本公司之全體獨立非執行董事，即陳國偉先生、羅麗萍女士及馬時俊先生，均為董事會轄下委員會成員，其中陳國偉先生出任審核委員會及薪酬委員會主席；而羅麗萍女士出任提名委員會主席。審核委員會成員具備適當的專業資格、會計或相關財務管理專業知識，較上市規則之要求為高。

所有相關會議文件均已於會議舉行前最少三日（或其他協定之期間）及時送呈各成員。會議記錄之初稿及定稿亦已盡早送呈各成員以供彼等提供意見及存檔。公司秘書負責保存載有詳盡細節之會議記錄。本公司於需要時會向董事會轄下委員會提供專業意見及充足資源，以讓其履行職責。

### 審核委員會

#### 角色及職能

審核委員會負責審閱／檢討本集團之企業管治、財務匯報、風險管理及內部監控。審核委員會擔任顧問角色，並向董事會提供相關建議。

#### 會議

審核委員會於本年度舉行四次會議，本集團內部審核部（「內部審核部」）之代表亦有出席有關討論由內部審核部準備之內部審核報告之會議。高級管理層亦不時獲邀出席審核委員會會議，向委員會成員解釋本集團之財務及業務狀況。

## BOARD COMMITTEES (Cont'd)

### Audit Committee (Cont'd)

#### Works Performed

The works performed by the Audit Committee in the Year are summarised below:–

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| <p>(1) reviewed the Group's final and interim results and draft consolidated financial statements for the year ended 31st December, 2017 and for the six months ended 30th June, 2018 respectively before recommending them to the Board for approval, with the presence of the Company's external auditors (the "Independent Auditors") in the meeting reviewing final results;</p> <p>(2) reviewed the overall performance including the performance of investment properties and development properties of the Group;</p> <p>(3) reviewed the accounting principles and practices adopted by the Group and the requirements of the Listing Rules and statutory compliance;</p> <p>(4) recommended to the Board the re-appointment of the Independent Auditors for shareholders' approval;</p> <p>(5) reviewed the Group's internal control, risk management, financial reporting and auditing matters;</p> <p>(6) reviewed and discussed significant audit findings in a meeting with the presence of Independent Auditors;</p> <p>(7) prepared and submitted to the Board an audit committee report detailing the works performed by the Audit Committee during 2017, presented its findings and made recommendations to the Board for consideration;</p> <p>(8) carried out annual review on the continuing connected transactions of the Group;</p> <p>(9) reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting, financial reporting and internal audit functions, and their training programmes and budget;</p> | <p>(1) 在建議給董事會批准前，先分別審閱本集團截至二零一七年十二月三十一日止年度及截至二零一八年六月三十日止六個月之全年及中期業績及綜合財務報表之初稿，本公司之外聘核數師（「獨立核數師」）亦有出席有關審閱全年業績之會議；</p> <p>(2) 審閱本集團之整體表現，包括投資物業及發展物業之表現；</p> <p>(3) 審閱本集團所採納之會計原則與常規及上市規則及法規規定之遵守情況；</p> <p>(4) 向董事會提出續聘獨立核數師之建議供股東批准；</p> <p>(5) 審閱本集團之內部監控、風險管理、財務匯報及核數之事宜；</p> <p>(6) 於獨立核數師在場之會議中審閱及討論重大審計發現；</p> <p>(7) 編製並向董事會呈交審核委員會報告，當中詳列審核委員會於二零一七年度已履行之工作，以及匯報其報告結果及向董事會提供建議以作考慮；</p> <p>(8) 對本集團之持續關連交易進行年度檢討；</p> <p>(9) 審閱本集團在會計、財務匯報及內部審核職能之資源、員工資歷及經驗是否足夠，以及相關員工所接受的培訓課程及有關預算是否充足；</p> |
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## 董事會轄下委員會 (續)

### 審核委員會 (續)

#### 履行之工作

審核委員會於本年度履行之工作概述如下：—

**BOARD COMMITTEES** (Cont'd)**Audit Committee** (Cont'd)

## Works Performed (Cont'd)

- (10) discussed with Independent Auditors the nature and scope of the annual audit and reporting obligations of the Independent Auditors for the Year; reviewed and approved the terms of engagement letters, and fees for audit and non-audit services for the Year;
- (11) reviewed the arrangement for employees to raise concerns about possible improprieties in financial reporting, internal control or other related matters;
- (12) reviewed and discussed internal audit reports prepared by Internal Audit Department;
- (13) considered and approved the internal audit plan for the year 2019;
- (14) reviewed the effectiveness of internal audit function;
- (15) reviewed the Company's policies and practices on corporate governance, compliance with the CG Code and disclosure in the Corporate Governance Report;
- (16) reviewed the Company's policies and practices on compliance with legal and regulatory requirements and the compliance of such policies and practices;
- (17) reviewed the code of conduct for the Directors and the compliance of such code;
- (18) reviewed the code of practice for employees;
- (19) reviewed the sufficiency of training and continuous professional development for the Directors and senior executives;
- (20) reviewed the progress of risk management;
- (21) reviewed the effectiveness and adequacy of risk management and internal control systems; and
- (22) reviewed the impact of adoption of new Hong Kong Financial Reporting Standards.

**董事會轄下委員會** (續)**審核委員會** (續)

## 履行之工作 (續)

- (10) 與獨立核數師討論本年度週年核數之性質及範圍以及獨立核數師之報告責任；審閱及批准聘任書之條款，以及有關核數及非核數服務之費用；
- (11) 檢討僱員就財務匯報、內部監控或其他相關方面可能發生之不正當行為提出關注之安排；
- (12) 審閱及討論由內部審核部準備之內部審核報告；
- (13) 考慮及批准二零一九年年度之內部審核計劃；
- (14) 檢討內部審核職能之有效性；
- (15) 檢討本公司之企業管治政策及常規、常規守則之遵守情況及企業管治報告書內之披露；
- (16) 檢討本公司在遵守法律及監管規定方面的政策及常規及該政策及常規之遵守情況；
- (17) 檢討董事操守守則及該守則之遵守情況；
- (18) 檢討僱員常規守則；
- (19) 檢討董事及高級行政人員之培訓及持續專業發展是否足夠；
- (20) 檢討風險管理之進度；
- (21) 檢討風險管理及內部監控系統之有效性及是否足夠；及
- (22) 檢討採納新訂香港財務報告準則之影響。

## BOARD COMMITTEES (Cont'd)

### Audit Committee (Cont'd)

#### Works Performed (Cont'd)

In March 2019, the Audit Committee reviewed (i) the Group's final results and draft audited consolidated financial statements for the Year; (ii) the Company's compliance with the CG Code during the Year and disclosure in the Corporate Governance Report; (iii) the sufficiency of training and continuous professional development for Directors and senior executives for the Year; (iv) the effectiveness and adequacy of risk management and internal control systems for the Year; and (v) the effectiveness of internal audit function of the Group for the Year. The Audit Committee also made recommendation to the Board on the re-appointment of retiring Independent Auditors for shareholders' approval at the forthcoming annual general meeting (the "2019 AGM").

#### Independent Auditors

In order to enhance independent reporting by Independent Auditors, the engagement director of the Independent Auditors is subject to periodical rotation, and the nature and ratio of annual fees payable to Independent Auditors for non-audit services and for audit services are subject to scrutiny by the Audit Committee. A policy of non-audit services from Independent Auditors was established. The Audit Committee considers whether there is clear efficiency and value-added benefit to the Company from that work being undertaken by the Independent Auditors; whether there is adverse effect on the independence of their audit work or the perception of such independence; the nature of the non-audit services envisaged to be provided by the Independent Auditors; and the related fee levels individually and in aggregate relative to the audit fees. In addition, a policy restricting the employment of employees or former employees of Independent Auditors as senior executives or financial positions with the Group has also been in place.

During the Year, the Independent Auditors had been engaged in providing non-audit services in relation to annual review of continuing connected transaction at a fee of HK\$100,000. The audit fees of the Independent Auditors for auditing the consolidated financial statements of the Group for the year ended 31st December, 2018 was HK\$2,014,100. The relevant engagement letters had been reviewed and approved by the Audit Committee.

## 董事會轄下委員會 (續)

### 審核委員會 (續)

#### 履行之工作 (續)

於二零一九年三月，審核委員會審閱／檢討(i)本集團於本年度之全年業績及經審核綜合財務報表之初稿；(ii)本公司於本年度遵守常規守則之情況及企業管治報告書內之披露；(iii)董事及高級行政人員於本年度之培訓及持續專業發展是否足夠；(iv)風險管理及內部監控系統於本年度之有效性及是否足夠；及(v)本集團內部審核職能於本年度之有效性。審核委員會亦就續聘退任之獨立核數師向董事會提出建議，供股東於即將舉行之股東週年大會（「二零一九年股東週年大會」）上批准。

#### 獨立核數師

為確保獨立核數師能作出獨立匯報，負責本公司核數工作的獨立核數師之參與董事將定期輪換，審核委員會亦會監管獨立核數師每年就非核數及核數服務所收之酬金性質和比例。有關獨立核數師為本公司提供非核數服務之政策已訂立。審核委員會考慮獨立核數師受聘從事之工作會否為本公司帶來明確的效益和增值作用、會否對其審核工作的獨立性或獨立形象構成負面影響、由獨立核數師提供之非核數服務之性質以及個別費用及總計費用相對於核數費用之水平。此外，本公司亦採納一套禁止聘用獨立核數師之僱員或前僱員出任本集團高級行政人員或財務職位之措施。

於本年度內，獨立核數師受聘提供非核數服務，就有關本公司之持續關連交易進行年度檢討，費用為100,000港元。獨立核數師就審核本集團截至二零一八年十二月三十一日止年度之綜合財務報表之審核費用為2,014,100港元。審核委員會已審閱及批准相關之聘任書。



## BOARD COMMITTEES (Cont'd)

### Audit Committee (Cont'd)

#### Independent Auditors (Cont'd)

Prior to the commencement of the audit of accounts of the Group, the Audit Committee had reviewed the Independent Auditors' independence and objectivity as required under the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants, reviewed the terms of their engagement as well as the nature and scope of the audit and reporting obligations.

The Audit Committee was satisfied with the findings of their review of the engagement process, effectiveness, independence and objectivity of the Independent Auditors.

### Remuneration Committee

#### Role and Function

The Remuneration Committee is responsible for reviewing the remuneration policies for all Directors and senior executives. The Remuneration Committee is also responsible to review regularly and make recommendations to the Board on the remuneration package of individual EDs and senior executives as well as the remuneration of NEDs. It would consult the Chairman or the CEO on the remuneration proposals whenever it thinks fit.

The objective of remunerating the Directors and senior executives of the Company is to ensure that there is an appropriate level of remuneration to attract and retain experienced businessmen or professionals of high calibre to act as the Directors and senior executives to oversee the Company's businesses and development.

#### Meetings

The Remuneration Committee held two meetings during the Year.

## 董事會轄下委員會 (續)

### 審核委員會 (續)

#### 獨立核數師 (續)

於審核本集團賬目目前，審核委員會已根據由香港會計師公會頒布之《會計師專業操守守則》檢討獨立核數師之獨立性和客觀性、檢討其聘任條款、審核性質及範圍，以及報告責任。

審核委員會滿意其就獨立核數師之聘任程序、有效性、獨立性及客觀性所作出之檢討結果。

### 薪酬委員會

#### 角色及職能

薪酬委員會負責檢討所有董事及高級行政人員之薪酬政策。薪酬委員會亦負責對個別執行董事及高級行政人員之薪酬待遇以及非執行董事之酬金作定期檢討及向董事會提出建議。薪酬委員會將在其認為恰當之情況下就薪酬方案諮詢主席或行政總裁。

本公司釐定董事及高級行政人員薪酬之宗旨為確保薪酬水平適當，以吸引及留效富經驗之營商者或高質素之專業人士為董事及高級行政人員，監督本公司之業務及發展。

#### 會議

薪酬委員會於本年度舉行兩次會議。

## BOARD COMMITTEES (Cont'd)

### Remuneration Committee (Cont'd)

#### Works Performed

The works performed by the Remuneration Committee in the Year are summarised below:–

- (1) assessed the performance of EDs, reviewed and recommended to the Board the EDs' and senior executives' remuneration packages for the Year;
- (2) noted the annual discretionary bonus to employees;
- (3) recommended to the Board the renewal of service agreement with a director of a subsidiary of the Company; and
- (4) recommended to the Board to fix the Directors' fee of NEDs for the Year.

In January 2019, the Remuneration Committee made recommendation to the Board and the Board has approved the adjustment of ED's monthly salary of (i) Ms. Chan, Sze-wan to HK\$120,000, (ii) Ms. Chan, Lok-wan to HK\$60,000, and (iii) Mr. Lam, Kwong-wai to HK\$189,400 for the year ending 31st December, 2019 with reference to their duties and responsibilities in the Group as well as the prevailing market conditions.

#### Remuneration Policy for EDs

The primary goal of the remuneration policy on EDs' remuneration package is to enable the Company to retain and motivate EDs by linking their reward with performance as measured against corporate objectives. In determining guidelines for each reward element, the Company refers to remuneration surveys on companies operating in similar businesses.

#### Remuneration Policy for NEDs and INEDs

The Directors' fees of NEDs and INEDs are subject to annual assessment with reference to their duties and responsibilities and the prevailing market conditions as appropriate. Reimbursement is allowed for out-of-pocket expenses incurred in connection with performance of their duties.

## 董事會轄下委員會 (續)

### 薪酬委員會 (續)

#### 履行之工作

薪酬委員會於本年度履行之工作概述如下：—

- (1) 評估執行董事表現、檢討及向董事會建議執行董事及高級行政人員於本年度之薪酬待遇；
- (2) 知悉發給僱員之年度酌情花紅；
- (3) 向董事會建議更新與本公司附屬公司董事之服務協議；及
- (4) 向董事會建議釐定非執行董事於本年度之董事袍金。

於二零一九年一月，薪酬委員會向董事會提出建議而董事會亦批准調整執行董事於截至二零一九年十二月三十一日止之月薪，(i)陳詩韻女士至120,000港元，(ii)陳諾韻女士至60,000港元，及(iii)林光蔚先生至189,400港元，此乃參照彼等於本集團之職務與責任及當時市況釐定。

#### 執行董事之薪酬政策

有關執行董事薪酬待遇之薪酬政策主要目的乃讓本公司以公司目標為衡量標準，將執行董事之薪酬與表現掛鉤，藉以留效和激勵執行董事。本公司決定每項薪酬元素之指引時會參考從事相近業務之公司之薪酬調查。

#### 非執行董事及獨立非執行董事之薪酬政策

非執行董事及獨立非執行董事之董事袍金乃參照其職務與責任及當時市況（如適用）釐定，並按年評估。彼等可獲償付就履行職責而產生之實付開支。

## BOARD COMMITTEES (Cont'd)

### Nomination Committee

#### Role and Function

The role of the Nomination Committee is to lead the process and make recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in the light of challenges and opportunities facing the Company, as well as business development and requirements of the Company.

#### Meeting

The Nomination Committee held one meeting during the Year.

#### Works Performed

The works performed by the Nomination Committee in the Year are summarised below:–

- (1) reviewed the structure, size, composition and diversity of the Board;
- (2) recommended to the Board on the re-appointment of Directors for shareholders' approval; and
- (3) assessed the independence of INEDs, including those served more than 9 years who are subject to re-election at the relevant annual general meeting.

After the Year end, the Nomination Committee made recommendation to the Board on the re-appointment of retiring Directors for shareholders' approval at the 2019 AGM.

## 董事會轄下委員會 (續)

### 提名委員會

#### 角色及職能

提名委員會之角色為於需要額外委任董事或填補董事職務之臨時空缺時，因應本公司面對之挑戰及機遇，以及在配合本公司之業務發展及需要下，作出領導及就委任董事向董事會提出建議。

#### 會議

提名委員會於本年度舉行一次會議。

#### 履行之工作

提名委員會於本年度履行之工作概述如下：–

- (1) 檢討董事會之架構、人數、組成及多元化；
- (2) 向董事會提出重新委任董事之建議供股東批准；及
- (3) 評核獨立非執行董事之獨立性，包括服務超過9年之獨立非執行董事（彼等需於相關股東週年大會上重選）。

於本年度完結後，提名委員會就重新委任退任之董事向董事會提出建議，供股東於二零一九年股東週年大會上批准。

## BOARD COMMITTEES (Cont'd)

### Nomination Committee (Cont'd)

#### Nomination Policy, Procedures, Process and Criteria

The Nomination Committee reviews the structure, size, composition and diversity (including the evaluation of skills, knowledge, professional experience, cultural and educational background, gender and age of the Board members and assessment on the independence of the INEDs) of the Board at least annually. It is responsible for making recommendations on any proposed changes to the Board to complement the Company's corporate strategy and succession planning for the Directors from time to time and selecting suitable and qualified individuals to become Board members. In evaluating and selecting candidate(s) for directorship, the Nomination Committee considers the character and integrity; skills and expertise; professional and educational background; potential time commitment for the board and/or committee responsibilities; and the elements of the Board Diversity Policy as stated below etc. The Nomination Committee makes recommendation to the Board to appoint the appropriate person among the candidates nominated for directorship. The Board appoints suitable candidate(s) in accordance with the Bye-laws of the Company and the Listing Rules.

#### Board Diversity Policy

The Company recognises and embraces the benefit of having a diverse board, and sees increasing diversity at board level as an essential element in maintaining a competitive advantage and achieving long-term sustainable growth for the Group. A board diversity policy (the "Board Diversity Policy") has been adopted since September 2013. Elements of the Board Diversity Policy include gender, age, cultural and educational background, professional experience, skills and knowledge of Directors. The said elements have substantially been included in the current Board composition.

## SPECIAL COMMITTEE

Special Committee had been established since 24th May, 2012, comprising all the INEDs as members with written terms of reference in place. It is empowered to handle all matters from the Company's perspective arising out of the prosecution against Mr. Joseph Lau, Luen-hung, a former ED, Chairman and CEO of the Company, by the Macau Special Administrative Region of the People's Republic of China ("Macau") relating to the acquisition of a piece of land in Macau. The Special Committee has been dissolved in February 2018 after reviewing of the position of the Group by the Board.

## 董事會轄下委員會 (續)

### 提名委員會 (續)

#### 提名政策、程序、過程及準則

提名委員會最少每年檢討董事會的架構、人數、組成及多元化(包括對董事會成員之技能、知識、專業經驗、文化及教育背景、性別及年齡作評估,及對獨立非執行董事之獨立性作評核)。提名委員會負責不時就任何為配合本公司之企業策略而擬對董事會作出的變動及就董事之繼任計劃提出建議並挑選合適及合資格人士成為董事會成員。於評估及挑選董事職位之人選時,提名委員會會考慮其品格及誠信;技能及專長;專業及學術背景;就履行董事會及/或委員會職責承諾能投放之時間;以及下述之董事會多元化政策之元素等。提名委員會在董事職位之候選名單中挑選合適人選並向董事會提供建議。董事會根據本公司之公司細則及上市規則,委任合適之人士。

#### 董事會多元化政策

本公司認同及相信多元化董事會帶來之裨益,並視董事會日益多元化為維持本集團競爭優勢及實現長遠可持續增長之必須元素。董事會多元化政策(「董事會多元化政策」)自二零一三年九月起被採納。董事會多元化政策之元素包括董事之性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會目前之組成已大致包含上述元素。

## 特別委員會

特別委員會自二零一二年五月二十四日成立,全體獨立非執行董事均為成員,其書面職權範圍亦已制定。特別委員會獲授權以本公司角度處理一切有關中華人民共和國澳門特別行政區(「澳門」)對劉鑾雄先生(本公司之前執行董事、主席兼行政總裁)就收購一幅澳門土地而作出起訴之事宜。特別委員會在董事會審視本集團之狀況後已於二零一八年二月解散。

## INVESTMENT COMMITTEE

Investment Committee had been established since 15th April, 2014, comprising Ms. Chan, Sze-wan as chairman, Mr. Lam, Kwong-wai as chief investment officer, Mr. Chan, Kwok-wai and Mr. Ma, Tsz-chun as members with written terms of reference in place. It is empowered to manage the investment business of the Group (other than real estate investment) (the "Investment") and to make recommendations and provide advice to the Board in relation to Investment or potential Investment.

## 投資委員會

投資委員會自二零一四年四月十五日成立，由陳詩韻女士出任主席、林光蔚先生出任投資總監、陳國偉先生及馬時俊先生為成員組成，其書面職權範圍亦已制定。投資委員會獲授權管理本集團之投資業務（房地產投資除外）（「投資」），以及就有關投資或潛在投資項目向董事會提供建議及意見。

## ATTENDANCE RECORD OF DIRECTORS

Attendance record of each of the Board members is as follows:—

## 董事出席記錄

各董事會成員之出席記錄載列如下：—

Attendance Record of Directors 董事出席記錄							
No. of meetings attended/held in 2018 (Percentage of attendance in total) 於二零一八年出席/舉行會議數目(總出席率)							
Name of Directors	董事姓名	Regular Board Meeting 定期董事會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Investment Committee Meeting 投資委員會會議	Annual General Meeting 股東週年大會
<b>Executive Directors</b>		<b>執行董事</b>					
Ms. Chan, Sze-wan (CEO)	陳詩韻女士 (行政總裁)	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	4/4 (100%)	1/1 (100%)
Ms. Chan, Hoi-wan	陳凱韻女士	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	Absent 缺席
Ms. Chan, Lok-wan	陳諾韻女士	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	1/1 (100%)
Mr. Lam, Kwong-wai	林光蔚先生	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	4/4 (100%)	1/1 (100%)
<b>Non-executive Directors</b>		<b>非執行董事</b>					
Mr. Lau, Ming-wai (Chairman)	劉鳴煒先生 (主席)	2/4 (50%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	Absent 缺席
Ms. Amy Lau, Yuk-wai	劉玉慧女士	4/4 (100%)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	Absent 缺席
<b>Independent Non-executive Directors</b>		<b>獨立非執行董事</b>					
Mr. Chan, Kwok-wai	陳國偉先生	4/4 (100%)	4/4 (100%)	2/2 (100%)	1/1 (100%)	4/4 (100%)	1/1 (100%)
Ms. Phillis Loh, Lai-ping	羅麗萍女士	4/4 (100%)	4/4 (100%)	2/2 (100%)	1/1 (100%)	N/A 不適用	1/1 (100%)
Mr. Ma, Tsz-chun	馬時俊先生	4/4 (100%)	4/4 (100%)	2/2 (100%)	1/1 (100%)	4/4 (100%)	1/1 (100%)

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms without deviation from the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code"). All Directors, after specific enquiries by the Company, confirmed that they had complied with the required standard set out in the Model Code and the said code of conduct during the Year.

## 證券交易之標準守則

本公司已採納一套董事進行證券交易之守則，其條款與上市規則附錄十《上市發行人董事進行證券交易的標準守則》（「標準守則」）所規定之標準別無差異。經本公司作出明確查詢後，所有董事均已確認彼等已於本年度內遵守標準守則所規定之標準及前述之交易守則。

## MODEL CODE FOR SECURITIES TRANSACTIONS

(Cont'd)

The Company has also adopted a code of conduct regarding securities transactions by relevant employees on terms no less exacting than the required standard set out in the Model Code. All the relevant employees (the "Relevant Employees") who, because of office or employment, are likely to be in possession of unpublished inside information in relation to the Group's securities had been requested to follow such code when dealing in the securities of the Company. All Relevant Employees, after specific enquiries by the Company, confirmed that they had complied with the required standard set out in the said code during the Year.

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility to ensure that the Group maintains an effective risk management and internal control systems and review of their effectiveness through the Audit Committee at least annually. The Board oversees the Company's senior management in the design, implementation and monitoring of the risk management and internal control systems and acknowledges that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. Internal Audit Department is responsible for reviewing relevant financial, operational and compliance controls and risk management functions, and reporting their findings and advice to the Audit Committee.

### Internal Audit

Internal Audit Department reports directly to the Audit Committee and is independent of the Company's management, with key tasks to:-

- (1) assess and monitor internal controls of the Group with unrestricted direct access right to any levels of management whenever it considered necessary;
- (2) conduct comprehensive internal audits of the practices and procedures, income and expenditures, and internal control of all business units of the Group on a regular basis; and
- (3) carry out special reviews and investigations on areas of concern identified by the management for corrective actions.

## 證券交易之標準守則 (續)

本公司亦已採納一套有關僱員進行證券交易之守則，其條款不遜於標準守則所規定之標準。本公司已要求所有因其職位或崗位而極可能掌握有關本集團證券之未公布內幕消息之有關僱員（「有關僱員」），於買賣本公司證券時遵守該守則。經本公司作出明確查詢後，所有有關僱員均已確認彼等已於本年度內遵守前述守則所規定之標準。

## 風險管理及內部監控

董事會確認其確保本集團設有有效的風險管理及內部監控系統之責任，並透過審核委員會最少每年檢討該等系統之有效性。本公司高級管理層在董事會監督下設計、實行及監察風險管理及內部監控系統，而董事會確認有關系統乃為管理而非消除未能達成業務目標之風險而設，且只能就重大的失實陳述或損失提供合理而非絕對之保證。內部審核部負責檢討相關之財務、營運及監控控制以及風險管理功能，並將檢討結果及建議提交審核委員會。

### 內部審核

內部審核部乃獨立於本公司之管理層，並直接向審核委員會匯報，其主要工作為：—

- (1) 於其認為有需要時，以無限制權力直接接觸任何管理層，以評估及監察本集團之內部監控；
- (2) 定期就本集團之常規及程序、收入和開支，及所有業務單位之內部監控進行全面的內部審核；及
- (3) 對管理層所識別應關注之範疇進行特別檢討及調查，以作出糾正。

## RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

### Internal Audit (Cont'd)

Internal Audit Department produces an annual internal audit plan based on a risk assessment methodology for the Audit Committee's approval. Internal audits are carried out on a regular basis according to the approved plan. Internal audit reports summarising audit findings and recommendations are prepared from time to time for the Audit Committee's review and discussion. Management is responsible for ensuring that control weaknesses highlighted in internal audits are rectified within a reasonable period. Internal Audit Department would monitor the proper implementation of corrective measures.

During the Year, Internal Audit Department had conducted seven internal audits, relevant reports had been submitted to the Audit Committee for consideration. The Audit Committee was satisfied with the scope and quality of works done, and the extent and frequency of communication of internal audit reports by the Internal Audit Department. The Audit Committee was also satisfied with the effectiveness of the internal audit function of the Group.

### Risk Management

#### Risk Management Framework

The Company established an Enterprise Risk Management Framework that includes a risk management policy and procedures, as well as a designated risk management officer who helps to deploy the risk management process across the business.

#### Risk Management Process

Our risk management process includes risk identification, risk assessment and prioritisation, risk owner appointment, risk treatment and upward reporting and monitoring of identified risks to the Audit Committee. A corporate risk register has been established to track and document the identified risks, risk owners, mitigating actions and control measures, and facilitates continuous update of risk treatments.

Half-yearly reviews were conducted to follow up on the significant risks and related actions as documented in the corporate risk register, and the results reported to the Audit Committee. The year end risk management assessment result was reported to the Board through the Audit Committee. The Company will continue to enhance and standardize our approach to manage risks.

## 風險管理及內部監控 (續)

### 內部審核 (續)

內部審核部以風險評估法制定年度內部審核計劃，並交由審核委員會批准。內部審核工作乃按經批准之計劃定期進行。內部審核部將綜合審核結果及建議之內部審核報告不時呈交予審核委員會審閱及討論。管理層負責確保於內部審核工作中識別之監控弱點於合理時間內糾正。內部審核部會監察相關糾正措施有否恰當地實行。

於本年度內，內部審核部共進行了七次內部審核，有關報告亦已提呈審核委員會考慮。審核委員會對內部審核部之工作範疇及質素，及所提交之內部審核報告之詳盡程度及次數感到滿意。審核委員會對本集團之內部審核職能之有效性亦感到滿意。

### 風險管理

#### 風險管理架構

本公司建立企業風險管理架構，當中包括制訂風險管理政策及程序，並指派風險管理主任協助於業務上下應用風險管理程序。

#### 風險管理程序

本公司之風險管理程序包括風險辨識、風險評估及優次排序、委任風險負責人、風險處理及向審核委員會上報及監察已辨識風險。本公司已建立企業風險紀錄冊，以追蹤並記錄已辨識風險、風險負責人、紓解行動及監控措施，並協助持續更新風險處理情況。

本公司每半年進行檢討，以跟進企業風險紀錄冊記錄之重大風險及相關行動，並向審核委員會匯報結果。年終風險管理評估結果經由審核委員會向董事會匯報。本公司將繼續加強風險管理並將風險管理方針標準化。

**RISK MANAGEMENT AND INTERNAL CONTROL**

(Cont'd)

**Risk Management (Cont'd)**

## Risk Management Process (Cont'd)

Subsequent to the Year, the Audit Committee has reviewed the effectiveness and adequacy of risk management system for the Year and the Board is satisfied with the effectiveness and adequacy of the risk management system of the Group and considered that the Company had complied with the Code Provisions in respect of risk management during the Year.

**Internal Control**

## Annual Review

Based on the annual assessment made by the Independent Auditors and the works done by Internal Audit Department, the Audit Committee and the Board are satisfied with the effectiveness and adequacy of the system of internal control of the Group and concluded that:–

- (1) the Company had complied with the Code Provisions in respect of internal control during the Year;
- (2) a framework of prudent and effective controls had been established to identify, evaluate and manage the risks;
- (3) internal control and accounting systems of the Group were efficient and adequate;
- (4) significant risks and control failings or weaknesses (if any) that may influence the Group and the changes since last annual review had been identified, evaluated and managed through the ongoing monitoring process;
- (5) material transactions were executed with the management's authorisation;
- (6) the Company's processes for financial reporting and Listing Rules compliance were effective; and
- (7) the resources, qualifications and experience of staff of the Group's accounting, financial reporting and internal audit functions, and their training programmes and budget were adequate.

**風險管理及內部監控 (續)**

## 風險管理 (續)

## 風險管理程序 (續)

於本年度後，審核委員會已檢討本年度風險管理系統是否行之有效及足夠，而董事會對本集團之風險管理系統之有效性及足夠性感到滿意，並認為本公司於本年度已遵守有關風險管理之守則條文。

## 內部監控

## 年度檢討

根據獨立核數師之年度評估以及內部審核部所完成之工作，審核委員會及董事會對本集團之內部監控系統之有效性及足夠性感到滿意，並總結：—

- (1) 本公司於本年度內已遵守有關內部監控之守則條文；
- (2) 本集團已設立審慎及有效之監控架構以識別、評估及管理風險；
- (3) 本集團之內部監控及會計系統屬有效及充足；
- (4) 本公司已透過持續監察過程識別、評估及管理可能影響本集團之重大風險及重大監控失誤或重大監控弱項（如有）以及自上年檢討後之轉變；
- (5) 本集團之重大交易獲管理層授權而執行；
- (6) 本公司有關財務報告及遵守上市規則規定之過程屬有效；及
- (7) 本公司在會計、財務匯報及內部審核職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算屬充足。



## COMMUNICATIONS WITH SHAREHOLDERS

The Company acknowledges that general meetings are good communication channel with shareholders that the Directors and the chairmen of the Board Committees are encouraged to attend and answer questions from shareholders at general meetings. The chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee as well as the Independent Auditors had attended the annual general meeting of the Company held on 18th May, 2018 ("2018 AGM") to answer questions from shareholders.

At the commencement of each general meeting, the chairman of the meeting had explained the procedures for conducting a poll to the shareholders and the shareholders were allowed to raise any question concerning the poll procedures. At each of the meetings, separate resolutions were proposed by the chairman of the meeting and put forward to the shareholders for poll voting. Details of poll results are available at the Company's website ([www.chineseestates.com](http://www.chineseestates.com)).

As a channel to promote effective communication, the Company maintains a corporate website ([www.chineseestates.com](http://www.chineseestates.com)) to disseminate the Group's information.

The Company regulates the handling and dissemination of inside information as set out in the corporate communications manual to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made. Such manual also provides guidance for coordinating the disclosure of material information to investors, analysts and media, identifies who could speak on the Company's behalf, and outlines the responsibility for communication with various stakeholder groups.

A shareholders' communication policy for enhancement of the corporate governance had been established and the Board had reviewed the shareholders' communication policy during the Year.

## 與股東之溝通

本公司深信股東大會為公司與股東之間良好之溝通渠道，並鼓勵董事及董事會轄下委員會主席出席股東大會及解答有關股東提問。審核委員會、薪酬委員會及提名委員會主席聯同獨立核數師均有出席於二零一八年五月十八日舉行之股東週年大會（「二零一八年股東週年大會」）以回應股東提問。

於各股東大會開始時，大會主席向股東解釋以投票方式表決的程序，並容許股東可就相關表決程序作出提問。於各股東大會上，大會主席提呈獨立決議案，並提交予股東投票。有關投票表決結果之詳情可於本公司網站([www.chineseestates.com](http://www.chineseestates.com))瀏覽。

為提高溝通成效，本公司設有公司網站([www.chineseestates.com](http://www.chineseestates.com))，以發放本集團資料。

本公司按企業通訊手冊所載監管內幕消息的處理及發布，以確保該等內幕消息經妥為批准披露前維持保密，並以有效率及一致的方式發布。該手冊亦訂明向投資者、分析員及傳媒披露重要資料之指引，確定可代表本公司發言之人士，以及界定與各利益相關團體溝通之責任。

為提升企業管治，本公司已制定股東通訊政策，董事會亦於本年度內檢討該股東通訊政策。

## DIVIDEND POLICY

Subsequent to the Year, the Board has approved and adopted a dividend policy for the Company on 5th March, 2019 that aims to set out the principles and guidelines of the Company in relation to the declaration, recommendation and payment of dividends to its shareholders (the "Dividend Policy").

Under the Dividend Policy, the Company does not have any pre-determined dividend payout ratio. Distribution of dividends should be in the interests of the Company and its shareholders as a whole. When considering dividend declaration or recommendation, the Board shall take into account the following factors:—

- (1) business condition and strategy of the Group;
- (2) capital requirement for the Group's existing/potential project or investment;
- (3) earnings, financial and cash flow position and distributable reserves of the Company and the Group; and
- (4) other factors that the Board deems relevant.

The declaration and payment of dividends is subject to the provisions of the Bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended from time to time) and any other applicable laws, rules and regulations.

The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in future.

The Board has the sole discretion to recommend or not to recommend final dividends to the shareholders for approval; and to declare or not to declare any other dividends, including but not limited to interim and/or special dividends, after taking into consideration the factors as stated in (1) to (4) above.

The Dividend Policy may be updated, amended, modified and/or cancelled from time to time as the Board may think fit and necessary.

## 股息政策

於本年度後，董事會於二零一九年三月五日批准並採納本公司之股息政策，旨在列明有關本公司向其股東宣派、建議及派發股息之原則及指引（「股息政策」）。

根據股息政策，本公司並無任何預定的派息比率。派發股息應符合本公司及其股東的整體利益。當考慮宣派或建議派發股息時，董事會應考慮以下因素：—

- (1) 本集團的業務狀況及策略；
- (2) 本集團現有／潛在項目或投資的資本需求；
- (3) 本公司及本集團的盈利、財務及現金流量狀況以及可分派儲備；及
- (4) 董事會認為相關的其他因素。

宣派及派付股息受限於本公司之公司細則、百慕達一九八一年公司法（經不時修訂）及任何其他適用法律、規則及法規。

本公司過往的股息分派記錄不可用作釐定本公司日後可能宣派或派付之股息水平之參考或基準。

董事會經考慮上述(1)至(4)項因素後，可全權酌情建議或不建議向股東派發末期股息；及宣派或不宣派任何其他股息，包括但不限於中期及／或特別股息。

董事會認為適當和必要時，可不時更新、修訂、修改及／或取消股息政策。

## SHAREHOLDERS' RIGHTS

### Convene a Special General Meeting

Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company can at all times submit a signed written requisition, specifying the purpose, to the Board or the Company Secretary to request the convening of a special general meeting ("SGM") and deposit the requisition at the principal office of the Company in Hong Kong at 26th Floor, China Evergrande Centre, 38 Gloucester Road, Wanchai, Hong Kong or the registered office of the Company in Bermuda at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.

If within twenty-one days of such deposit the Board fails to proceed to convene the SGM, the requisitionist(s), or any of them representing more than one half of the total voting rights of all of them, may convene a SGM, but any SGM so convened shall not be held after the expiration of three months from twenty-one days of the deposit.

### Put Forward the Proposals at Shareholders' Meeting

Shareholder(s) representing not less than one-twentieth of the total voting rights of all shareholders having a right to vote at the general meeting at the date of the requisition or shareholders not less than 100 in total can submit a written requisition to the Board or the Company Secretary to propose a resolution at the general meeting (the "Written Requisition").

The Written Requisition must be accompanied by (i) the proposed resolution; and (ii) a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution or the business to be dealt with at the general meeting. The Written Requisition must contain the signatures of all the requisitionist(s). The Written Requisition must be deposited at the principal office of the Company in Hong Kong at 26th Floor, China Evergrande Centre, 38 Gloucester Road, Wanchai, Hong Kong or the registered office of the Company in Bermuda at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda not less than six weeks before the general meeting in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition.

## 股東權利

### 召開股東特別大會

股東（於送達書面要求日期擁有不少於本公司已繳足股本十分之一附有權利可於本公司股東大會上投票之股份）可隨時向董事會或公司秘書提交已簽署並列明目的之書面要求，要求召開股東特別大會（「股東特別大會」），並將該書面要求送達本公司香港主要辦事處，地址為香港灣仔告士打道38號中國恆大中心26樓或本公司於百慕達註冊辦事處，地址為Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda。

倘董事會未能於送達日期起計二十一日內召開股東特別大會，則提出要求人士或持有全體提出要求人士之過半數總投票權之任何要求人士可自行召開股東特別大會，惟任何因此召開之股東特別大會不可於送達日期第二十一日起計三個月後舉行。

### 於股東大會提呈建議

股東（於要求日期擁有不少於全體有權於股東大會上投票之股東總投票權二十分之一），或不少於合共一百名股東，可向董事會或公司秘書提呈書面要求於股東大會上提呈決議案（「書面要求」）。

書面要求須連同(i)提呈之決議案；及(ii)一份不多於一千字有關提呈之決議案所述之事宜或將於股東大會上處理之事務之陳述書。書面要求須包含全體要求人士之簽名。如該要求牽涉發出決議案通知，書面要求須於股東大會前不少於六個星期前送達本公司香港主要辦事處，地址為香港灣仔告士打道38號中國恆大中心26樓或本公司於百慕達註冊辦事處，地址為Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda；如屬於任何其他要求，則須於股東大會前不少於一個星期前送達。

## SHAREHOLDERS' RIGHTS (Cont'd)

### Put Forward the Proposals at Shareholders' Meeting (Cont'd)

Provided that if, after a copy of the Written Requisition requiring notice of a resolution has been deposited at the principal office of the Company in Hong Kong or the registered office of the Company in Bermuda, an annual general meeting is called for a date which is six weeks or less after the copy has been deposited, the copy though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement given by the requisitionists to all shareholders in accordance with the requirements under the applicable laws and rules.

### Propose a Candidate for Election as a Director at an Annual General Meeting

Procedures for shareholders to propose a person for election as a Director had been established and published at the Company's website ([www.chineseestates.com](http://www.chineseestates.com)).

### Shareholders' enquiries

Shareholders can raise their enquiries to the Board or the Company Secretary in writing by sending such written enquiries to the principal office of the Company in Hong Kong at 26th Floor, China Evergrande Centre, 38 Gloucester Road, Wanchai, Hong Kong or by email at [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com). Shareholders also have right to raise questions at general meetings.

## CONSTITUTIONAL DOCUMENTS

During the Year, there was no change in the Company's constitutional documents.

## 股東權利 (續)

### 於股東大會提呈建議 (續)

倘須發出決議案通知之書面要求副本已送達本公司香港主要辦事處或本公司於百慕達註冊辦事處，而本公司於該副本送達後六個星期或少於六個星期之日召開股東週年大會，則即使該副本未於規定時間內送達亦應視作妥為送達。

股東需存放一筆用於支付本公司根據適用的法律及條例規定而向全體股東送達決議案通知及傳閱要求人士提交的陳述書所產生的開支的合理及足夠款項。

### 提名人選於股東週年大會參選董事

本公司已制定股東提名人參選董事的程序，並於本公司網站發布 ([www.chineseestates.com](http://www.chineseestates.com))。

### 股東查詢

股東可以書面方式向董事會或公司秘書作查詢，該書面查詢可送交至本公司香港主要辦事處，地址為香港灣仔告士打道38號中國恆大中心26樓或電郵至 [investor.relations@chineseestates.com](mailto:investor.relations@chineseestates.com)。股東亦有權於股東大會上作出提問。

## 組織章程文件

於本年度，本公司之組織章程文件沒有任何變動。

## DEVIATIONS FROM CODE PROVISIONS

### Non-executive Directors Attending General Meeting

Mr. Lau, Ming-wai, a NED, was unable to attend the 2018 AGM as he had business engagement. Ms. Amy Lau, Yuk-wai, another NED, was also unable to attend the 2018 AGM as she was not in Hong Kong on that day.

### Chairman Attending Annual General Meeting

Mr. Lau, Ming-wai, the Chairman, was unable to attend the 2018 AGM as he had business engagement. Mr. Chan, Kwok-wai, the chairman of the Audit Committee and the Remuneration Committee, was elected as the chairman of the 2018 AGM to ensure effective communication with shareholders of the Company at the 2018 AGM. The chairman of the Nomination Committee, Ms. Phillis Loh, Lai-ping had also attended the 2018 AGM.

## CONCLUSION

The Company believes that corporate governance principles and practices are essential to the business communities. Ongoing effort will be put to review its corporate governance practices from time to time so as to accommodate the changing circumstances. The Company will strive to maintain and strengthen the standard and quality of its corporate governance.

## 偏離守則條文

### 非執行董事出席股東大會

非執行董事劉鳴煒先生因公務而未能出席二零一八年股東週年大會。另一位非執行董事劉玉慧女士亦因舉行二零一八年股東週年大會當天不在香港而未能出席。

### 主席出席股東週年大會

董事會主席劉鳴煒先生因公務而未能出席二零一八年股東週年大會。審核委員會及薪酬委員會主席陳國偉先生被選為二零一八年股東週年大會主席，以確保與本公司股東於二零一八年股東週年大會上保持有效的溝通。提名委員會主席羅麗萍女士亦有出席二零一八年股東週年大會。

## 總結

本公司相信企業管治原則及常規對商業社會而言至關重要，故本公司亦將持續不時檢討其企業管治常規，以符合環境上之轉變。本公司將致力維持及加強其企業管治標準及質素。