

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## GOVERNANCE AND REPORTING

### Governance Structure

The Board believes that an effective Environmental, Social and Governance (“ESG”) strategy is one that should be aligned with and incorporated into the Group’s long-term business strategy. Therefore, the Board retains primary oversight for sustainability strategy, risk control and reporting framework at the full board level. The Board has overall responsibility for the Group’s ESG strategy, controls and reporting.

For better embedding ESG factors into the overall business strategy, governance and internal controls, the Group has integrated important ESG risks into the Group’s existing risk management and internal control systems. The management is responsible for designing and maintaining an appropriate and effective risk management (including ESG risks) and internal control systems of the Group. The Chief Executive Officer (“CEO”), representing the management, is responsible for providing annual confirmation to the Board of the effectiveness of these systems. For details, please refer to the section “Risk management, internal control and internal audit” of the Corporate Governance Report.

In addition, the Board and the management monitor and review the ESG goals and targets, as well as the risk levels of various issues by making reference to the Risk Key Performance Indicator (“Risk KPI”) report which summarises the Group’s major risks identified by the management and is submitted to the Board and Audit Committee twice a year. The Risk KPI report provides a comprehensive profile of the major risks (including the ESG risks) for the Board and management to monitor changes in the levels of risk exposure and contribute to the early warning signs that enable the Group to report risks, prevent crises and mitigate them in time.

### Reporting Standard, Principles and Boundary

The Group presents this ESG Report for the year ended 31 March 2024 (“Report”) in accordance with Appendix C2 – Environmental, Social and Governance Reporting Guide (“ESG Reporting Guide”) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”). This Report covers the Group’s principal business of provision of franchised PLB and residents’ bus transportation services in Hong Kong. There are no significant changes in the reporting scope of this Report compared with that of last year.

During the preparation of this Report, the management carried out internal assessment on the materiality and relevance of the ESG issues on the Group’s business. To better understand the views and expectation of the Group’s stakeholders, the Group also identified its key stakeholders according to the impact the Group’s business had on them, as well as the influence they had on the Group’s business and they were engaged on an ongoing basis to provide their comprehensive assessments, through face-to-face interviews and responding to questionnaires, on the materiality and relevance of the general disclosures and Risk KPIs of various ESG issues in respect of the Group’s franchised PLB and residents’ bus transportation services in Hong Kong. The key stakeholders participated in the external assessment included but not limited to passengers, employees, shareholders, suppliers, contractors and local community organisations.

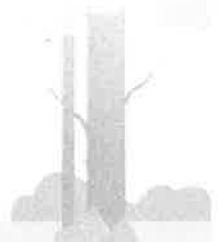
As a result of the internal and external assessments, this Report summarises the Group’s key ESG performance in the following four areas that have significant impact and contributions to the sustainability of the principal business: i) Environmental protection; ii) Operating practices; iii) Employment practices and iv) Serving the community. The Group will regularly seek for stakeholders’ participation in the materiality and relevance assessment of the ESG aspects in the future.

Unless otherwise stated, the methods and KPIs used in this ESG report are consistent with those disclosed last year.

## ENVIRONMENTAL PROTECTION

The Group is dedicated to protecting the environment and promoting sustainable development for the betterment of our next generation.

Roadside vehicle emission is one of the major sources of air pollution in Hong Kong. As a road transport operator, the Group is aware of the impact of its operations to the air quality, the environment and the public. Apart from monitoring its direct and indirect impact on the environment, the Group also strictly complies with the environmental protection policy of the Government. Below are the Group’s approaches to minimise the impact of its operations to the environment:



### Air and greenhouse gas (“GHG”) emissions

- Fuel is the major natural source that the daily operations of the Group heavily relied on. The Group pro-actively seeks ways to minimise the use of fuel and hence the greenhouse gas emission. For the quality of the fuel consumed, the Group relies on fuel filling stations in Hong Kong to supply diesel and LPG to the fleet. The diesel available in the fuel-filling stations is Euro V diesel. LPG is a clean fuel in terms of lesser emissions of greenhouse gas (i.e. carbon dioxides) and air pollutants, namely respirable suspended particulates (RSP), sulphur dioxide (SO<sub>2</sub>) and nitrogen oxides (NO<sub>x</sub>). In order to try its best endeavor to improve the roadside air quality of the city, the Group keeps monitoring the average fleet age annually. As at 31 March 2024, the Group’s fleet was made up of 311 LPG minibuses (2023: 311) and 43 diesel minibuses (2023: 43), representing around 87.9% and 12.1% of the fleet respectively.
- The GHG emissions intensity of both direct and indirect sources for the year was slightly higher than that of last year by 1.7%. This may attributable to the increased use of 19-seat PLBs, which are with heavier car bodies, and increase in passenger loading during the year. The Group remains committed to its target of maintaining (or lowering) the GHG emission intensity next year. In order to continuously improve roadside air quality and comply with the environmental protection policy of the Government, the management would continue to explore eco-friendly minibuses that can meet the most stringent exhaust emission standards to minimise impact to the environment.

### Use of resources

- The major resources used by the PLB operation of the Group are fuel and electricity. Fuel is the source of energy used by the fleet. Electricity is mainly used in the administrative office, R&M centers and depots.
- The energy consumption intensity of the Group for the year was lower than that of last year by 4.0%. The Group remains committed to its target of maintaining (or lowering) the energy consumption intensity next year by continuously adopting the following measures of reducing use of energy:

- Regular maintenance: The comprehensive maintenance programs of the Group keeps the engines at good condition which would maintain the effectiveness of the emissions systems of the minibuses. Also, the repairing technicians and frontline operational staff always stay alert to the emissions of the minibuses and send the minibuses to R&M centers for checking and repairing whenever suspected sub-standard of emissions is noted.
- The Group enhances its operational efficiency by periodically reviewing and revising its routes and services to minimise fuel consumption. Additionally, the Group has implemented a mileage-based oil change program to reduce fuel usage. To improve air quality, our captains are required to strictly adhere to the legal requirements of the idling engine ban.
- Apart from the above operational practices, the Group also promotes a “Green” concept in the administrative office. Staff members are encouraged to minimise paper, water and electricity consumption, reuse and recycle used papers and change to paperless work practice where possible. Green plants are also grown in different corners of the office to offer greenery environment to the staff.
- Starting from financial year 2018/19, the Group offers the arrangement of election of language and means of receipts of corporate communications to its shareholders for the sake of environmental protection. Shareholders may elect to receive the corporate communication documents from the Group in electronic copies. With effect from January 2024, the Group follows the paperless listing regime of the Stock Exchange that only notification letters of publication of the corporate communications will be sent to Shareholders by email or by post (only if the Company does not possess a functional email address of a shareholder) on the date the corporate communications are published on the websites unless a shareholder requesting printed copies in writing. This arrangement will further reduce the usage of papers.



### Hazardous and non-hazardous wastes

- **Hazardous waste:** The hazardous waste arising from the R&M centers are waste batteries, spent oil filters and waste lubricant. The R&M centers have registered as chemical waste producers in accordance with the relevant statutory requirements in Hong Kong. The wastes are packaged, labelled and stored properly before disposal. They are collected by the licensed collectors and sent to the licensed chemical waste disposal site for disposal.
- **Non-hazardous waste:** Tyres are the major non-hazardous waste disposed by the Group. The scrapped tyres of the Group were collected by the agents for recycling into various products. The waste water produced in the R&M centers is filtered in the sand traps before being discharged into the public drainage system. Waste metals are produced during the R&M process and when the aged vehicles are scrapped. The waste metals are collected by the waste collectors for recycling. The amount of waste metal for the year reduced significantly compared with last year because no old vehicle was scrapped during the year. The Group scrapped seven old vehicles during last year as a result of its vehicle replacement plan.
- By implementing comprehensive vehicle R&M program and engaging licensed chemical waste disposal agents, the Group was generally in compliance with Road Traffic (Construction and Maintenance of Vehicles) Regulations, Motor Vehicle Idling (Fixed Penalty) Ordinance, Waste Disposal Ordinance, Air Pollution Control Ordinance and Air Pollution Control (Air Pollutant Emission) (Controlled Vehicles) Regulation of Hong Kong in relation to air emission and disposal of hazardous waste during the year.
- The hazardous intensity for the year was around 9.2% higher than last year. Meanwhile, the non-hazardous intensity for the year decreased by 10.7% compared with last year, which was due to the reduction in number of scrapped vehicles compared with last year. The Group remains its targets of maintaining (or lowering) the hazardous and non-hazardous intensity next year by improving the R&M program and providing training to captain and technician as so to enhance their knowledge in mechanical maintenance.

### Climate change

Climate change affects all regions around the world. In some regions, extreme weather events and rainfall are becoming more common while others are experiencing more extreme heat waves and droughts. In Hong Kong, the climate change impacts to the Group's PLB and residents' bus operations are mainly typhoon, heavy rainstorms and flooding. The Group's operations may temporarily be interrupted by the extreme weather events but usually will resume to normal within a few days. The climate-related physical risk to the Group is not significant but the management would close monitor the weather and flooding condition whenever extreme weather events occur so as to minimise harm or loss may cause to the employees, passengers and properties of the Group.

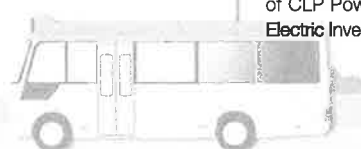
To cope with the impact of climate change, the Hong Kong Government has set targets for achieving carbon neutrality in and before 2050. As a franchised PLB passenger service operator in Hong Kong, the Group would closely follow the policy set by the Government to achieve the carbon neutrality target.

ENVIRONMENTAL INDICATORS	Unit	Year ended 31 March	
		2024	2023
<b>Emissions</b>			
Nitrogen Oxides (NO <sub>x</sub> ) <sup>1</sup>	tonnes	<b>29.08</b>	32.38
Sulphur Oxides (SO <sub>x</sub> ) <sup>2</sup>	tonnes	<b>0.02</b>	0.02
Particulate Matter (PM) <sup>1</sup>	tonnes	<b>0.63</b>	0.78
<b>GHG Emissions (CO<sub>2</sub> equivalent)</b>			
<b>Scope I: Direct sources</b>			
Fleet <sup>2</sup>	tCO <sub>2</sub> e	<b>20,580</b>	20,598
Fleet intensity	tCO <sub>2</sub> e/ million km	<b>603</b>	593
<b>Scope II: Indirect sources</b>			
Electricity <sup>3</sup>	tCO <sub>2</sub> e	<b>176</b>	186
Electricity intensity	tCO <sub>2</sub> e/ million km	<b>5.2</b>	5.4

<sup>1</sup> The emission factors above are based on "The Hong Kong Environmental Protection Department's EMFAC-HK Vehicle Emission Calculation model".

<sup>2</sup> The GHG emission factors were obtained from the "Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.

<sup>3</sup> The emission factors of GHG emissions due to electricity consumption were obtained from the latest sustainability reports of CLP Power Hong Kong and HK Electric Investments and HK Electric Investments Limited.



ENVIRONMENTAL INDICATORS	Unit	Year ended 31 March	
		2024	2023
<b>Use of Resources</b>			
Diesel	MWh	<b>12,780</b>	13,674
LPG	MWh	<b>72,420</b>	71,503
Electricity	MWh	<b>318</b>	324
Total energy consumption	MWh	<b>85,518</b>	85,501
Energy consumption intensity <sup>6</sup>	MWh/ million km	<b>2,506</b>	2,463
<b>Major hazardous waste</b>			
Lube oil	kg	<b>31,440</b>	30,168
Waste battery	kg	<b>8,078</b>	6,574
Oil filter	kg	<b>1,731</b>	1,687
Total	kg	<b>41,249</b>	38,429
Hazardous waste intensity <sup>7</sup>	kg/million km	<b>1,209</b>	1,107
<b>Major non-hazardous waste</b>			
Tyre	kg	<b>68,671</b>	57,883
Waste metal	kg	<b>6,962</b>	28,333
Total	kg	<b>75,633</b>	86,216
Non-hazardous waste intensity <sup>7</sup>	kg/million km	<b>2,217</b>	2,483

## Notes:

- <sup>4</sup> In view of the business nature of the Group, total amount of packaging material used for finished products are not presented because it is irrelevant;
- <sup>5</sup> There is no issue in sourcing water that is fit for the purpose during the daily operations of the Group;
- <sup>6</sup> The amount of energy consumption intensity is calculated by dividing the total amount of energy consumption by the total distance traveled by the franchised PLB and residents' bus operation (in million km) for the year; and
- <sup>7</sup> The amount of hazardous and non-hazardous waste intensity calculated by dividing the total amount of hazardous and non-hazardous waste by the total distance traveled by the franchised PLB and residents' bus operation (in million km) for the year respectively.

**OPERATING PRACTICES****Safety awareness**

Safety of the passengers and employees is the primary concern of the Group. As a responsible public transport service provider, the management believes that safety is the cornerstone to business success. The Group is committed to providing safe, comfortable and reliable journeys to our passengers and protecting the captains and other staff members from occupational hazards. The safety of its operations is enhanced by ways of continuous training and education, regular checks and comprehensive R&M programmes. These programmes were designed to minimise the occurrence of accidents as we are committed to maintaining a low accident rate.

Below are the Group's approaches to improve of the safety performance of all aspects of our business:

- The Group organised training on road safety throughout the year, which helped to raise safety and risk awareness and improve work practices of our staff. Additional comprehensive trainings were further provided to the Mainland Chinese captains for them to adapt to local traffic regulations and practices as soon as possible;
- To enforce safety guidelines and cultivate a professional and responsible driving attitude among captains, the Group has adopted stringent Code of Conduct and captains' guidelines, conducted spot checks and arranged inspection personnel disguised as passengers to make timely reports for any misbehaviour of the captains;
- To check the validity of the captains' driving licences half-yearly. Also, the Group tries to make sure the captains are physically fit for driving by requesting all captains to return their health condition declarations annually. Also, captains with sick leave or traffic accidents records are scrutinised so that the front-line management personnel can pay special attention to the latest health condition of the relevant captains and make appropriate arrangements as early as possible under appropriate circumstances, so as to minimise the chance of occurrence of traffic accidents caused by driver health problems;



- Enhancing the operational safety by checking tyre tread, passengers' safety belts, fire extinguishers, speed display signs and limiters of the vehicles regularly. These inspection works are carried out by a team independent from the staff members and the management of the R&M centers and operations department;
- Tips to passengers are posted at prominent locations inside the minibuses to remind the passengers of the safety on board;
- Implementing the plans for replacing aged minibuses would minimise the chance of mechanical breakdown; and
- The Group has implemented comprehensive maintenance programmes to ensure proper checks and maintenance of the vehicles. In order to ensure the quality and effectiveness of the repairing process, the Group has put great efforts into the computerisation of the repairing management system in recent years. The Group has been rewarded the ISO 9001:2008 quality management system certification (and subsequently upgraded to ISO 9001:2015 since 2017) for its dedication to enhance its R&M centers since January 2011, making the Group the first franchised PLB operator in Hong Kong having such a prestigious accreditation. The R&M centers of the Group also have registered under the Voluntary Registration Scheme for Vehicle Mechanics launched by the Government, under which the participating vehicle maintenance workshops should pledge to operate at a quality level not lower than that specified in the Practice Guidelines for Vehicle Maintenance Workshops in terms of the technical, environmental, safety, staff training, service and documentation requirements.

Apart from enhancing the new captains' safety awareness by strengthening their orientation training, the management also sought to lower the accident rate by strengthening the R&M programmes. The average accident rate was 3.4 per million km for the year ended 31 March 2024 (2023: 3.4 per million km). The number of service related complaints received per million km for the year was 40.0 (2023: 34.4). When complaints are referred by the Transport Department, the operations team members would investigate the cases by checking the service logs, CCTVs (as the case maybe) or/and enquiring the employees being complained and other relevant personnel. All complaints would be responded in written form within one to two weeks.

During the year, the Group was strictly in compliance with the relevant rules of Road Traffic Ordinance of Hong Kong in relation to safety equipment, registration, licensing, construction and maintenance of vehicles.

#### Supply chain management

The Group engages suppliers mainly for the leasing of PLBs and the procurement of fuel, vehicles parts and repairing services. The number of suppliers of the Group for the year ended 31 March 2024 was 88 (2023: 82). All suppliers engaged by the Group are located in Hong Kong.

The Group launched procurement guidelines in 2009 aiming to ensure that the products and services procured by the Group are carried out under the principle of fair competition and to improve the transparency and accountability of the Group's procurement process. Moreover, to ensure the service quality of the franchised PLBs operations, the Group selects only those suppliers with satisfactory record of products and service quality and on-time delivery. The suppliers are also asked to follow the Group's Code of Practice for Suppliers, which requires the suppliers to ensure that the relevant laws and regulations in environmental protection and safety in relation to the products and services provided are properly complied with. The staff members responsible for procurement may request the suppliers to provide licences or certificates to ensure the validity and legitimacy of the products and services.

In order to further improve the sustainable development in the supply chain of the Group, the Group has established a Code of Practice for Suppliers, with aims to elaborate and explain the Group's views and standards in the areas of ethics, human and labour rights, health and safety, environment protection and climate change action to the suppliers. Majority of the suppliers have been provided with the Code of Practice for Suppliers, as well as the Group's Code of Conduct and Whistle-blowing Policy. Throughout the procurement process, the responsible staff members follow the procurement guideline and monitor if the suppliers have any news or track records on supplying goods or service which may not be in compliance with any laws and regulations or not conform with the value and standards laid in the Code of Practice of Supplier and the Code of Conduct of the Group. The number of suppliers required to follow the Code of Practice for Suppliers of the Group for the year was 82 (2023: 76).



### Anti-corruption

The Group recognises the importance of carrying out business activities with integrity and believes an effective anti-corruption mechanism is the key of the sustainability and long-term growth of the Group. The Code of Conduct and the procurement guidelines of the Group provide clear guidelines to the employees on how to conduct business in a fair, ethical and legal manner and to avoid corruption in any form (as defined by the Prevention of Bribery Ordinance of Hong Kong). The Group's Code of Conduct and also Code of Practice for Suppliers also requires the employees and suppliers to avoid any conflict of interest (where personal interests conflict with the interests of the Group), to declare any conflict of interest and not to abuse their positions or powers in the Group to seek personal benefits. Gambling activities are strictly prohibited during the working hours and in any workplace. Employees are also not allowed to accept any loan from any person who has a business or business relationship with the Group, except the borrowings from licensed banks or financial institutions.

The Board has established a whistle blowing policy to provide reporting channels for the employees to report possible improper or corruptive practices encountered in their workplace. Reportable matters include but are not limited to breach of laws, rules and regulations, unlawful or inappropriate or fraudulent conduct involving internal control, accounting or financial matters, acts that endanger personal health and safety, and improper conduct or unethical conduct that may prejudice the reputation of the Group.

During the year, the Group had provided an anti-corruption training to the employees who are responsible for administrative function of the Group. There was no concluded legal cases regarding corrupt practices brought against the Group or its employees during the year (2023: Nil).

### Data and Privacy Protection

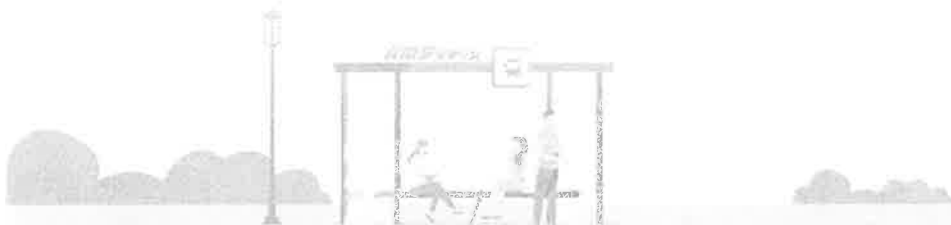
For safety and security purposes, some of the PLBs are equipped with CCTV cameras. Notices to passengers are posted inside the PLB compartments to inform the passengers that the CCTV system is in function. Only authorised staff members are allowed to access and view the CCTV recordings. Unless investigation is in progress, the recordings are erased automatically after 15 days. The Group did not receive any complaints concerning privacy issues during the year ended 31 March 2024 (2023: Nil).

### EMPLOYMENT PRACTICES

The minibus industry is labour-intensive in nature. The Group considers its employees as its greatest assets.

As at 31 March 2024, the Group had 1,183 employees in total (2023: 1,178), of which around 97.5% are recruited locally in Hong Kong. The Group adheres to the principle of open and fair competition when recruiting employees. The recruitment criteria are based on individual merits, education background, skill and past experience of the candidates and their suitability to the job position. The Group has adopted a board diversity policy since 2013 and is committed to eliminating discrimination in employment against race, gender, age, religion, marital and family status. Employment of illegal workers, child labour and forced labour are strictly prohibited. Candidates are required to provide identity proof to ensure their age and their eligibility of working in Hong Kong.

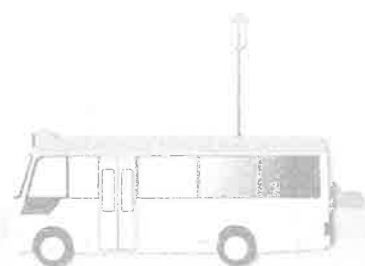
The Group's remuneration policy is to offer sufficient remuneration to attract, retain and motivate staff of suitable calibre to contribute their talents to the business. The remuneration packages of the employees include basic salaries, double pay and bonuses, annual leave, travelling and housing allowance, which are determined with reference to a number of factors including employees' educational and professional background, experience, job duties and the remuneration of similar job in the industry. The level of remunerations is reviewed annually by reference to the market conditions and individual merits. The sick leave, maternity leave and paternity leave policy of the Group is based on the standard rules set out in the Employment Ordinance of Hong Kong. During the year, the Group was generally in compliance with the relevant labour laws in Hong Kong in respect of working hours, rest periods, mandatory provident funds contributions, benefits and welfare, anti-discrimination and minimum wages requirements.



The Group considers that staff development is important to improve the employees' abilities and safety consciousness. Therefore, the Group encourages employees to attend in-house or external training courses or seminars at the Group's expense. The topics of the trainings included directors' responsibilities, law and regulations update, professional development in accounting and insurance, occupational safety, driving behavior, information technology, anti-corruption and soft skills like time management etc.

The Group is committed to providing comfortable, convenient and safe passenger transportation services in good faith. All employees of the Group, regardless of their positions and functions, are required to comply fully with the principles set out in the Code of Conduct. The Group also adopts a whistle blowing policy to encourage the employees to pay attention and come forward to report any suspicious misconduct or any defects in the operation of the Group to the Company. The Company endeavors to properly handle the employee's concerns in a fair and appropriate manner.

EMPLOYMENT INDICATORS	Year ended 31 March	
	2024	2023
<b>Total Workforce as at year end, all located in Hong Kong</b>		
<b>By Gender</b>	<b>1,183</b>	<b>1,178</b>
Male	<b>1,129 (95.4%)</b>	1,124 (95.4%)
Female	<b>54 (4.6%)</b>	54 (4.6%)
<b>By Employment Type</b>		
Full time	<b>615 (52.0%)</b>	616 (52.3%)
Part time	<b>568 (48.0%)</b>	562 (47.7%)
<b>By Age Group</b>		
Below 40	<b>64 (5.4%)</b>	68 (5.8%)
40 to 49	<b>138 (11.7%)</b>	154 (13.1%)
50 to 59	<b>264 (22.3%)</b>	268 (22.7%)
Over 60	<b>717 (60.6%)</b>	688 (58.4%)
<b>Staff Turnover Rate (in %)</b>		
<b>Overall</b>	<b>22.7%</b>	21.6%
<b>By Gender</b>		
Male	<b>23.2%</b>	21.9%
Female	<b>10.9%</b>	14.5%
<b>By Age Group</b>		
Below 40	<b>42.2%</b>	31.1%
40 to 49	<b>29.0%</b>	21.3%
50 to 59	<b>19.3%</b>	21.8%
Over 60	<b>20.9%</b>	20.6%



HEALTH AND SAFETY INDICATORS	Year ended 31 March	
	2024	2023

<b>Number of work-related fatalities occurred in each of the past three years</b>	<b>2</b>	1 (2022: 1)
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<b>Number of lost days due to work injury</b>	<b>387</b>	1,399
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DEVELOPMENT AND TRAINING INDICATORS	Year ended 31 March	
	2024	2023

**% of employees trained****By Gender**

Male	<b>96.5%</b>	96.6%
Female	<b>3.5%</b>	3.4%

**By Employment Category**

Senior level	<b>0.9%</b>	1.0%
Middle level	<b>1.5%</b>	1.7%
Entry level	<b>97.6%</b>	97.3%

**Average training hours completed per employee (in number of hours)**

<b>Per employee</b>	<b>0.96</b>	1.08
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**By Gender**

Male	<b>0.9</b>	1.0
Female	<b>3.2</b>	3.6

**By Employment Category**

Senior level	<b>9.1</b>	13.3
Middle level	<b>1.7</b>	1.2
Entry level	<b>0.8</b>	1.0

**SERVING THE COMMUNITY**

The Group places great value on corporate citizenship and social responsibility. Over the years, the Group has sponsored various activities organised by different district groups and charities. In addition to financial assistance, the Group and its staff members have participated in various community services. The activities that the Group sponsored or participated through its employees and volunteer team included Southern District's Road Safety Campaign and conducting home visits to the elderly living alone, elderly couples, or long-term patients in the Southern District and providing winter supplies to them. During the year, the Group continued to be nominated by Aberdeen Kai-fong Welfare Association Social Service Centre and was awarded as a "Caring Company" by The Hong Kong Council of Social Service in recognition of its contributions to community involvement programmes.

The Group also continues its support to the community through expanding the coverage of its GMB-GMB Interchange (GGI) schemes, offering fare concessions to passengers traveling on long journeys on specific routes. We also join hands with the MTR and The Kowloon Motor Bus Co. (1933) Limited to offer Interchange fare concession to passengers. Moreover, all GMB routes under the Group participate in the Government's \$2 Scheme and three residents' bus routes participate in the Public Transport Fare Subsidy Scheme. Our operation team maintains close communication with district and resident representatives and responds proactively to passenger needs.

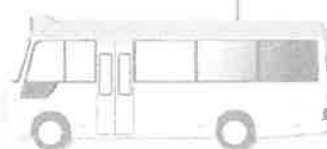
To support the operations and activities of various organisations, the Group contributed donation and sponsorship amounting to HK\$545,000 during the year (2023: HK\$289,000), of which around 45.9% was for supporting the sport and recreational activities and communities in Southern District.





## ESG REPORTING GUIDE INDEX

Aspects	General Disclosures and KPIs	Description	Page No.
<b>Subject Area A – Environment</b>			
<b>A1: Emissions</b>	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P. 15-17
	KPI A1.1	The types of emissions and respective emissions data.	P. 17
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total and intensity.	P. 17
	KPI A1.3	Total hazardous waste produced and intensity.	P. 18
	KPI A1.4	Total non-hazardous waste produced and intensity.	P. 18
	KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	P. 16
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P. 17
<b>A2: Use of Resources</b>	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	P. 16
	KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	P. 18
	KPI A2.2	Water consumption in total and intensity.	N/A
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	P. 16
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	N/A
<b>A3: The Environment and Natural Resources</b>	KPI A2.5	Total packaging material used for finished products (in tonnes).	N/A
	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	P. 16
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P. 16
<b>A4: Climate Change</b>	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	P. 17
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact the issuer, and the actions taken to manage them.	P. 17
<b>Subject Area B – Social</b>			
<b>Employment and Labour Practices</b>			
<b>B1: Employment</b>	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P. 20-21
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	P. 21
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	P. 21
<b>B2: Health and Safety</b>	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P. 18-19
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P. 22
	KPI B2.2	Lost days due to work injury.	P. 22
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P. 18-19



Aspects	General Disclosures and KPIs	Description	Page No.
<b>B3: Development and Training</b>	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P. 18, 21
	KPI B3.1	The percentage of employees trained by gender and employee category.	P. 22
	KPI B3.2	The average training hours completed per employee by gender and employee category.	P. 22
<b>B4: Labour Standards</b>	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P. 20
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	N/A
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	N/A
<b>B5: Supply Chain Management</b>	General Disclosure	Policies on managing environmental and social risks of the supply chain.	P. 19
	KPI B5.1	Number of suppliers by geographical region.	P. 19
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	P. 19
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P. 19
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P. 19
<b>B6: Product Responsibility</b>	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P. 18-19
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	P. 19
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	N/A
	KPI B6.4	Description of quality assurance process and recall procedures.	N/A
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	P. 20
	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P. 20
<b>B7: Anti-corruption</b>	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P. 20
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P. 20
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	P. 20
<b>B8: Community Investment</b>	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P. 22
	KPI B8.1	Focus areas of contribution.	P. 22
	KPI B8.2	Resources contributed to the focus area.	P. 22

Note: "N/A" means with regard to the business nature of the Group, the disclosure is immaterial or irrelevant. Thus, the disclosure or KPI is not available.



## CORPORATE GOVERNANCE REPORT

The Company is dedicated to ensuring that its business activities and other affairs are conducted in accordance with good corporate governance practices. The Board believes that good corporate governance practices facilitate effective management and healthy corporate culture, which are the keys to running a successful and sustainable business. In the opinion of the Board, a high standard of corporate governance and practices should emphasise sound risk management, internal controls, accountability and transparency, which will protect the interests of the shareholders and maximise shareholders values.

The Company is committed to devoting considerable effort to identify and formalise best practice of corporate governance. The Company has applied the principles of the Appendix C1 "Corporate Governance Code" (the "Code") of the Listing Rules and set up corporate governance practices to meet all code provisions and some of the recommended best practices in the Code.

During the year, the Company has met all the code provisions of the Code. Also, the Board has met some of the recommended best practices set out in the Code, they are: 1) the Board conducts evaluation of its performance annually and 2) the Board has received a confirmation from management on the effectiveness of the Group's risk management and internal control systems.

The Directors and the membership of each of the board committees as at the date of this annual report are as follows:

<b>Board of Directors</b>	<b>Board Committee</b>	<b>Executive Committee</b>	<b>Audit Committee</b>	<b>Nomination Committee</b>	<b>Remuneration Committee</b>
<b>Executive Directors</b>					
Mr. Wong Ling Sun, Vincent		C			
Ms. Ng Sui Chun		M			
Mr. Chan Man Chun		M			
Ms. Wong Wai Sum, Maya		M			
<b>Non-Executive Director</b>					
Ms. Wong Wai Man, Vivian					
<b>Independent Non-Executive Directors</b>					
Dr. Chan Yuen Tak Fai, Dorothy			M	C	M
Mr. Kwong Ki Chi			C	M	M
Mr. James Mathew Fong			M	M	C

Notes: "C" means the chairman of the relevant board committee

"M" means a member of the relevant board committee

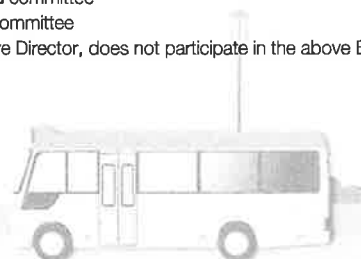
Ms. Wong Wai Man, Vivian, the Non-Executive Director, does not participate in the above Board committees

## THE BOARD OF DIRECTORS

### Composition of the Board

The Board is chaired by Mr. Wong Ling Sun, Vincent (the "Chairman"). The Board comprises four Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors. Four board committees, namely Executive Committee, Remuneration Committee, Audit Committee and Nomination Committee, are appointed by the Board to oversee different areas of the Group's affairs. The respective responsibilities of the Board and the board committees are discussed in this report.

The Board sets the Group's overall objectives and strategies, monitors and evaluates its operating and financial performance and reviews the corporate governance standard of the Company. It also decides on matters such as annual and interim results, material or connected transactions, director appointments or re-appointments, dividends and accounting policies. The Board has delegated the authority of and responsibility for implementing the Group's business strategies and managing the daily operations of the Group's businesses to the Executive Committee. The Executive Committee comprises the four Executive Directors and is fully accountable to the Board.



All Independent Non-Executive Directors, whose designations as Independent Non-Executive Directors are identified in all corporate communications of the Company, bring a variety of experience and expertise to the Group and at least one of the three Independent Non-Executive Directors has appropriate professional qualifications or accounting or related financial management expertise. The Independent Non-Executive Directors participate in Board meetings to bring an independent judgement on the issues arising in the meetings and monitor the Group's performance in achieving the corporate goals and objectives. The Company maintains appropriate directors' and officers' liabilities insurance.

The Board members have no financial, business, family or other material/relevant relationships with each other save that (1) Ms. Ng Sui Chun is the mother of the Chairman, Ms. Wong Wai Sum, Maya and Ms. Wong Wai Man, Vivian; and (2) Ms. Wong Wai Sum, Maya and Ms. Wong Wai Man, Vivian are the siblings of the Chairman. When the Board considers any proposal or transaction in which a Director or any of his/her associate(s) has an interest, such Director declares his/her interest and is required to abstain from voting. If a Director has conflict of interests in a matter to be considered by the Board which the Board has determined to be material, the matter must be dealt with by a physical Board meeting rather than a written resolution.

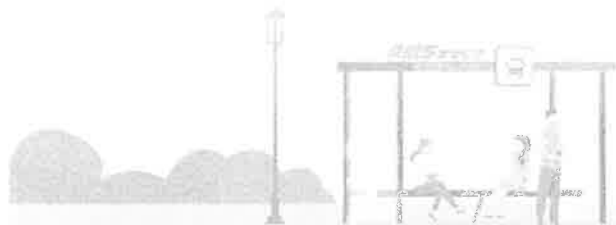
Each of the Independent Non-Executive Directors has confirmed in writing his/her independence from the Company in accordance with the guidelines on director independence in the Listing Rules. On this basis, the Company considers all Independent Non-Executive Directors to be independent. All Directors disclosed to the Board on their first appointment their interests as Director or otherwise in other public companies or organisations and other significant commitments. Such declarations of interests and the respective time commitment are updated semi-annually and reported to the Company when there is any significant change.

The Board reviews its composition regularly to ensure that it has the appropriate balance of expertise, skills, experience and diversity of perspectives to continue to effectively oversee the business of the Group. Given the composition of the Board and the skills, knowledge and expertise that each Director exercises in his/her deliberations, the Board believes that it is appropriately structured to provide sufficient checks and balances to protect the interests of the Group and the shareholders.

All Directors are encouraged to participate in continuous professional development and the Company is responsible for the costs of such trainings. Directors are required to provide a record of the training they received to the Company annually. The participation by Directors in the continuous professional development with appropriate emphasis on duties of a Director of a listed company and corporate governance matters during the year ended 31 March 2024 is as follows:

	Reading regulatory updates, newspapers and journals	Attending seminars/conferences/forums*
<b>Executive Directors</b>		
Mr. Wong Ling Sun, Vincent	√	√
Ms. Ng Sui Chun	√	√
Mr. Chan Man Chun	√	√
Ms. Wong Wai Sum, Maya	√	√
<b>Non-Executive Director</b>		
Ms. Wong Wai Man, Vivian	√	√
<b>Independent Non-Executive Directors</b>		
Dr. Chan Yuen Tak Fai, Dorothy	√	√
Mr. Kwong Ki Chi	√	√
Mr. James Mathew Fong	√	√

\* including physical attendance or by webcast



### Board independence

Independent Non-Executive Directors provide an independent perspective to the Board, which can help ensure that decisions are made objectively and in the best interests of the Company. They also act as a check and balance to the Executive Directors by giving constructive challenge to management.

During the year, the Board reviewed and considered that the following key features or mechanisms under Group's governance structure are effective in ensuring that independent views and input are available to the Board:

#### Board and Committees' structure



- The Board has appointed three Independent Non-Executive Directors. More than one-third of the members of the Board are being Independent Non-Executive Directors.
- The chairmen and members of the Audit Committee, Nomination Committee and Remuneration Committee of the Board are Independent Non-Executive Directors.
- Independent board committee for reviewing connected transactions comprises the three Independent Non-Executive Directors only.

#### Independent Non-Executive Directors' remuneration

#### Appointment of Independent Non-Executive Directors



- Non-Executive Directors receive fixed fees for their role as members of the Board and Board Committees as appropriate.
- In assessing suitability of the candidates, the Nomination Committee reviews their profiles, including their qualification and time commitment, having regard to the Board's composition, the Directors' skill matrix, the list of selection criteria approved by the Board, the Nomination Policy and the Board Diversity Policy.

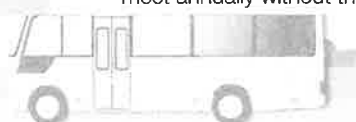
#### Annual review of Independent Non-Executive Directors' commitment and independence



- The Board reviews the Director's time commitment to his/her role as a Director of the Company by requesting the Directors to update their personal profile semi-annually.
- Each Independent Non-Executive Director is also required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may materially affect his/her independence.
- Each Independent Non-Executive Director confirms his/her independence annually by reference to the independence criteria as set out in the Listing Rules.
- Nomination Committee reviews the independence of the Independent Non-Executive Directors annually to ensure that they can continually exercise independent judgement.

#### Others

- All Directors are entitled to seek advice from the Company Secretary. They can also seek independent advice from external professional advisers, at the Company's expense, to perform their duties.
- Directors can express their views on the quality and efficiency of the performance of the Board are assessed during the annual evaluation of the Board's performance.
- Independent Non-Executive Directors and the chairman of the Board meet annually without the presence of other Directors.



### Board Meetings

Regular Board meetings are held at least four times a year at approximately quarterly intervals and are scheduled in advance to facilitate the fullest possible attendance. Additional meetings may be called if necessary. The company secretary of the Company (the "Company Secretary") assists the Chairman in setting the agenda of Board meetings. Notices of regular Board meetings, including the proposed agenda, are sent to the Directors at least 14 days before the meeting date and each Director is invited to present any businesses that he/she wishes to discuss or propose at such meetings. Finalised agenda and Board papers are normally circulated to all Directors six days before the regular Board meetings to ensure timely access to relevant information. All Directors are supplied with adequate and sufficient information to enable them to make well-informed decisions and they are free to access the senior management of the Group to make further enquiries. The CEO and the senior management are obligated to respond to the queries raised by the Directors in a timely manner.

The Board agrees to seek independent professional advice at the expense of the Company, upon reasonable request and approval of all Independent Non-Executive Directors. Draft and final versions of Board minutes are circulated to all Directors for their comments and records respectively. Final Board minutes are kept by the Company Secretary and are open for inspection by the Directors. The Company held four regular full Board meetings during the financial year 2023/24.

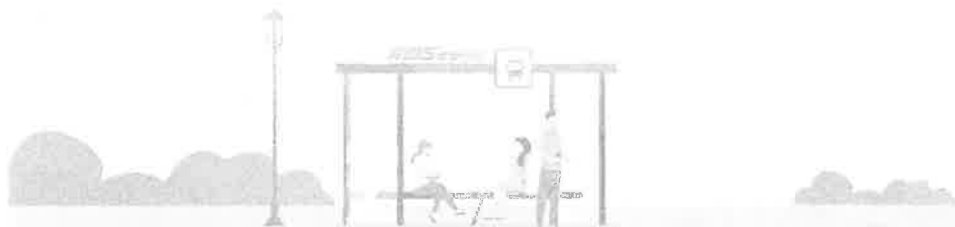
The attendance records of each member of the Board are set out on page 29 of this report.

### Board Committees

The Board delegates some of its duties and responsibilities to four board committees, namely, Executive Committee, Remuneration Committee, Audit Committee and Nomination Committee. Clear terms of reference have been established for each of the board committees which will be discussed below. The board committees report back to the Board on their decisions or recommendations.

The Directors are of the view that they have the overall and collective responsibilities in performing the corporate governance functions of the Group and opt not to delegate this function to any board committee. The major responsibilities of the Board concerning corporate governance are:

- setting up and reviewing the Group's policies and practices on corporate governance;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the Group's policies and practices in compliance with legal and regulatory requirements;
- setting up, reviewing and monitoring the code of conduct and compliance policies/guidelines applicable to employees and Directors; and
- reviewing the Group's compliance with the Code and disclosure in the Corporate Governance Report.



During the year ended 31 March 2024 the Board held four meetings to perform the following work:

- reviewed and approved the interim and final results, financial statements, announcements, circular and reports of the Group;
- reviewed the risk management and internal control review reports prepared by the internal auditor and discussed with management the reports' findings and recommendations on the Group's operations and corporate activities;
- considered and approved the declaration of final dividends for the year ended 31 March 2023;
- reviewed training and continuous professional development of the Directors and senior management, as well as the adequacy of internal control procedures on the continuing connected transactions of the Group;
- considered and approved the renewal of a minibus leasing agreement, which constituted non-exempt continuing connected transactions pursuant to the Listing Rules, and the related documents;
- considered and approved the supplemental letters of appointment for the Independent Non-Executive Directors and the Non-Executive Director;
- discussed and approved the amendments to the terms of reference of the audit committee of the Board;
- discussed and approved the amendments to the Connected Transactions Approval Procedures of the Group;
- conducted a review of the annual leave policy of the administrative staff members of the Group;
- approved the establishment of Conflict of Interest policy of the Group;
- considered and approved the amendments to Code of Conduct and Whistle-blowing policy of the Group;
- reviewed and approved the amendments on the shareholders' communication policy of the Company and concluded that the policy was effective and sufficient; and
- reviewed the mechanism used to ensure independent views and input were available to the Board and concluded that the current mechanism was effective and sufficient.

#### Attendance Records

The individual attendance records of each Director at the meetings of the Board, Audit Committee, Remuneration Committee and Nomination Committee and the Annual General Meeting of the Company ("AGM") during the year ended 31 March 2024 are set out below:

	Number of meetings attended/held during the year ended 31 March 2024				
	Board	Audit Committee	Nomination Committee	Remuneration Committee	AGM 2023
<b>Executive Directors</b>					
Mr. Wong Ling Sun, Vincent	4/4	N/A	N/A	N/A	1/1
Ms. Ng Sui Chun	4/4	N/A	N/A	N/A	1/1
Mr. Chan Man Chun	4/4	N/A	N/A	N/A	1/1
Ms. Wong Wai Sum, Maya	4/4	N/A	N/A	N/A	1/1
<b>Non-Executive Director</b>					
Ms. Wong Wai Man, Vivian	4/4	N/A	N/A	N/A	1/1
<b>Independent Non-Executive Directors</b>					
Dr. Chan Yuen Tak Fai, Dorothy	4/4	4/4	1/1	1/1	1/1
Mr. Kwong Ki Chi	4/4	4/4	1/1	1/1	1/1
Mr. James Mathew Fong	4/4	4/4	1/1	1/1	1/1

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Nomination Committee regularly reviews the structure, size and composition (including the skills, knowledge, experience and diversity considerations) of the Board to ensure its expertise and independence are maintained. A person may be appointed as a member of the Board at any time either by the shareholders in general meeting or by the Board upon recommendation by the Nomination Committee.

At each AGM, one-third of the Directors (or, if the number of Directors is not divisible by three, such number as is nearest to and less than one-third) must retire as Directors by rotation. All Directors are subject to retirement by rotation at least once every three years in accordance with the Articles and are eligible for re-election and re-appointment. A Director who is appointed by the Board to fill a casual vacancy must retire at the first AGM of the Company after his appointment. Such Director is eligible for election at that AGM, but is not taken into account when deciding which and how many Directors should retire by rotation at that AGM.

The appointments of all Non-Executive Director and Independent Non-Executive Directors are subject to retirement by rotation and re-election at the subsequent AGMs in accordance with the Articles and the Listing Rules. For any Independent Non-Executive Director who has served on the Board for more than nine years, his/her further appointment will be subject to a separate resolution to be approved by the shareholders. The Company shall disclose the reasons in the annual report or the circular why it considers such Independent Non-Executive Director to be independent and should be re-elected.

There is a formal letter of appointment for each Director setting out the key terms and conditions of his/her appointment. Every newly appointed Director shall receive a comprehensive, formal and tailored induction on appointment. Subsequently, the Company Secretary would arrange briefing and/or professional development trainings to develop and refresh the Directors' knowledge and skills, as well as ensuring that the Directors have a proper understanding of the Company's operations and business and other regulatory requirements updates.

The procedures for shareholders to propose a person for election as a Director are available on the Company's website at <http://www.amspt.com/index.php/en/investor>.





## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

To ensure a balance of power and authority, the role of the Chairman is separated from that of the CEO. The current CEO is Mr. Chan Man Chun, who is also an Executive Director.

The posts of Chairman and CEO are distinct and separate. The division of responsibilities between the Chairman and the CEO is clearly established and set out in the Board Manual and summarised as follows:

The responsibilities of the Chairman include:

- chairing and leading the Board to ensure that it operates effectively;
- ensuring that adequate information about the Group's business, which must be accurate, clear, complete and reliable, is provided to the Board on a timely basis;
- ensuring that all Directors are properly briefed on issues arising at Board meetings;
- ensuring good corporate governance practices;
- monitoring the performance of the CEO and other Executive Directors;
- holding meetings with the Independent Non-Executive Directors without the presence of the Executive Directors and Non-Executive Director; and
- ensuring appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole.

The responsibilities of the CEO include:

- being ultimately responsible for the Group's operations and management;
- supporting the Board by providing industrial and business expertise to the Board;

- proposing to the Board the direction, objectives, strategies and policies of the Group for its consideration and approval;
- selecting and leading the top management team towards the achievement of the Group's long term objectives, missions, strategies and goals approved by the Board; and
- procuring the management to provide the Board with financial and operational monthly updates giving a balanced and understandable assessment of the Group's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties.

## DELEGATION BY THE BOARD

### Executive Committee

The Executive Committee is chaired by the Chairman and comprises the other four Executive Directors including the CEO. It meets monthly and is responsible to the Board for overseeing and setting the strategic direction of the Group.

The major responsibilities of the Executive Committee are:

- establishing strategic directions of the Group and submitting them to the Board for their approval;
- monitoring the execution of the Company's strategic plans as determined by the Board;
- monitoring the day to day operations and performance of the senior management;
- setting up sound risk management and internal control systems to manage the risks of the Group;
- assessing any business opportunities on diversification, expansion or acquisition; and
- approving any changes to the scope of authority delegated to the senior management.



### Remuneration Committee

The Remuneration Committee is chaired by an Independent Non-Executive Director Mr. James Mathew Fong and comprises the other two Independent Non-Executive Directors, Dr. Chan Yuen Tak Fai, Dorothy and Mr. Kwong Ki Chi.

The major responsibilities of the Remuneration Committee are:

- making recommendations to the Board on the remuneration policy and structure for all Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
- reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- making recommendations to the Board on the remuneration packages of individual Executive Directors and senior management;
- making recommendations to the Board on the remuneration of Independent Non-Executive Directors;
- considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;
- reviewing and approving compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with relevant contractual terms and is otherwise fair and not excessive;
- reviewing and approving compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with relevant contractual terms and are otherwise reasonable and appropriate;
- ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration;

- making recommendation to the Board on appropriate means to administer remuneration programs of Directors and senior management; and
- to review and approve matters relating to share schemes under Chapter 17 of the Listing Rules.

The terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The Remuneration Committee is provided with sufficient resources to perform its duties and it can access independent professional advice at the expense of the Company if necessary. It is the practice of the Remuneration Committee to consult the Chairman and/or the CEO about their remuneration proposals for other Executive Directors and Non-Executive Director. To avoid conflict of interests, no Director or any of his/her associates is involved in deciding his/her own remuneration.

During the year ended 31 March 2024, the Remuneration Committee held one meeting to perform the following work:

- reviewed the Company's policy and structure for the remuneration of Non-Executive Director and Independent Non-Executive Directors;
- reviewed the remuneration packages and structures of all Executive Directors and the senior management;
- assessed the performance of Executive Directors and approved discretionary bonuses to some of the Executive Directors; and
- reviewed the remuneration review procedures of the Group.

The Remuneration Committee did not review or approve any material matters relating to the Company's share scheme during the year.

The attendance records of each member of the Remuneration Committee are set out on page 29 of this report.



In order to be able to attract and retain staff of suitable calibre, the Company recognises the importance of a fair and competitive remuneration policy. To ensure that the remuneration packages are appropriate and align with the Group's goals, objectives and performance, the Company has considered a number of factors such as salaries paid by comparable companies, job responsibilities, duties and scope, market conditions and practices, financial and non-financial performance, and desirability of performance-based remuneration, when formulating the remuneration policy.

The remuneration package of Executive Directors includes salary, bonus, pensions, medical and life insurance benefits. The remuneration level is determined with reference to the expertise and experience possessed by each Executive Director and his/her performance. Except for the bonus payable to the CEO which is determined with reference to the Group's performance, bonuses to other Executive Directors are given on a discretionary basis and determined with reference to the corporate and individual performance. The remuneration of Non-Executive Director and Independent Non-Executive Directors is determined by the Board in consideration of the experience, expertise and the responsibilities involved. Please refer to note 14 to the financial statements for the emolument details of each Director, the five highest paid employees and also the remuneration paid to members of senior management by band.

The Company adopted a share option scheme on 30 August 2013 ("2013 Scheme") to provide the Company with a platform to offer rewards and incentives to eligible participants for their contribution to the Group and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. The 2013 Scheme expired on 29 August 2023. After the expiration of the 2013 Scheme, no further options shall be offered but options granted prior thereto shall continue to be valid and exercisable in accordance with the provisions of the 2013 Scheme. No new share scheme has been adopted by the Company since then. Please refer to pages 50 to 52 of this annual report for the details of the share option schemes.

#### **Audit Committee**

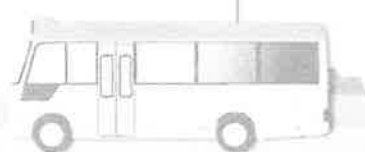
The Audit Committee is responsible to the Board and consists of three Independent Non-Executive Directors pursuant to its terms of reference. The Audit Committee is chaired by Mr. Kwong Ki Chi. Dr. Chan Yuen Tak Fai, Dorothy and Mr. James Mathew Fong are the members of the Audit Committee.

The Audit Committee reviews the completeness, accuracy and fairness of the Company's reports and financial statements and provides assurance to the Board that they comply with the adopted accounting standards, the Listing Rules and legal requirements. The Audit Committee also annually reviews the adequacy and effectiveness of the internal control and risk management systems. It reviews the work plan of the internal auditor and holds planning meeting with the external auditor before the auditors commence their work. It reviews the work done and the results of audits performed by the internal and external auditor, the relevant fees and terms, and the appropriate actions required on significant control weaknesses. It also considers the adequacy of resources, the qualifications and experience of staff in respect of the Group's accounting and financial reporting function, and their training programmes and budget. The Executive Directors and the external and internal auditor may also attend the Audit Committee meetings.

The terms of reference of Audit Committee are available on the websites of the Company and the Stock Exchange.

The major responsibilities of the Audit Committee are:

- being primarily responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- developing and implementing policy on engaging external auditor to supply non-audit services;
- monitoring integrity of the Group's financial statements and annual report and accounts, interim report and reviewing significant financial reporting judgements contained therein;
- reviewing the Group's financial and accounting policies and practices, financial controls, internal control and risk management systems;
- discussing the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems;



- ensuring co-ordination between the internal and external auditor, and ensuring that the internal audit function is adequately resourced and has appropriate standing within the Group, and reviewing and monitoring its effectiveness;
- establishing a whistle-blowing mechanism for employees to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Group;
- establishing a whistle-blowing mechanism for employees;
- ensuring the establishment of policy(ies) and system(s) that promote and support anti-corruption laws and regulations; and
- reviewing any transaction between the Company (including its subsidiaries) and the directors, or any interest associated with the directors, and to ensure the structure and the terms of the transactions comply with the law and are appropriately disclosed.

The Audit Committee held four meetings during the year ended 31 March 2024 to perform the following work:

- reviewed and approved the interim and final results, financial statements, announcements and reports of the Group;
- reviewed with the external auditor the significant financial reporting and accounting matters;
- approved the remuneration of the external auditor;
- reviewed the risk management and internal control review reports prepared by the internal auditor and discussed with management the reports' findings and recommendations on the Group's operations and corporate activities;
- reviewed the significant accounting policies of the Group with the management and the external auditor;
- reviewed the amounts and adequacy of internal control procedures of continuing connected transactions and other transactions between the Group and the Directors;
- reviewed and approved the Group's enterprise risk management systems and documents prepared by the management;
- considered and recommended the amendments to the terms of reference of the audit committee; and

- considered and recommended the amendments to the Connected Transactions Approval Procedures of the Group.

The attendance records of each member of the Audit Committee are set out on page 29 of this report.

#### **Nomination Committee**

The Nomination Committee consists of three Independent Non-Executive Directors pursuant to its terms of reference. The Nomination Committee is chaired by Dr. Chan Yuen Tak Fai, Dorothy, and Mr. Kwong Ki Chi and Mr. James Mathew Fong are the members.

The Board has delegated its authority and duties for matters relating to selection and appointment of Directors of the Company to the Nomination Committee and set out the same in the terms of reference of the Nomination Committee. The Nomination Committee nominates and recommends to the Board candidates for filling vacancies in the Board. It also identifies and nominates qualified individuals, who are expected to have such expertise to make positive contribution to the performance of the Board, to be additional Directors or to fill Board vacancies as and when they arise. The major responsibilities of the Nomination Committee are:

- reviewing the structure, size and composition (including the skills, knowledge, experience and diversity considerations) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- assessing the independence of Independent Non-Executive Directors;
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the CEO;
- implementing and reviewing the Board diversity policy for the Board's consideration, and monitoring the progress on achieving the objectives of the Board diversity policy to ensure effective implementation; and
- considered and recommended the appointment of a new Independent Non-Executive Director to the Board for its approval.

The terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

**Nomination policy**

When selecting individuals suitably qualified to fill a casual vacancy of the Board, the Nomination Committee considers the following key criteria as listed in the Group's Nomination Policy:

- the skills, knowledge and experience of the candidate should be sufficient enough to add positive contribution to the development of the Board and the strategy, policies and business of the Company and the Group;
- diversity in all aspects, including but not limited to gender, age, educational and professional background, skills, knowledge and experience of the candidate;
- the candidate should have a good reputation in character, integrity, honesty and experience and is able to demonstrate a standard of competence commensurate with his/her position as a Director;
- the candidate should be able to give sufficient time and attention to the Group's affairs;
- in the case of nominating Independent Non-Executive Directors, the level of independence from the Company and the Group according to the requirement the Listing Rules; and
- other relevant factors considered by Nomination Committee that are appropriate to the business of the Company and the Group.

The above criteria are for reference only and are not meant to be exhaustive or decisive. The same factors are considered when making recommendations regarding the re-election of any existing Director.

As for the nomination procedures, after the Nomination Committee selects candidate(s) suitably qualified to become Board members (based on the key criteria listed above), it makes recommendation(s) to the Board and submits the candidate's personal profile to the Board for consideration. The Board considers the reasons of the recommendations from the Nomination Committee and confirms the appointment of the candidate(s) as Director(s). The procedures of appointment of Director(s) are as reported in the section of "Appointment and Re-Election of Directors" above.

**Board diversity policy**

The Company recognises and embraces the benefits of having a diverse Board to enhance the effectiveness and quality of its performance and to maintain the high standards of corporate governance. Therefore, the Board set up a Board diversity policy in August 2013 in order to set out the approach to achieve diversity on the Board.

The Board diversity policy is summarised as below:

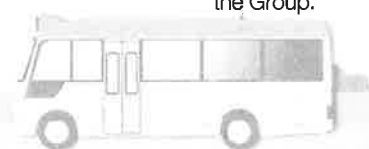
- The Company believes that a truly diverse Board will include and make good use of differences in the talents, skills, regional and industry experience and other qualities of the members of the Board;
- All appointments of the members of the Board are made on merit, in the context of the talents, skills and experience the Board as a whole requires to be effective; and
- In reviewing and assessing the composition of the Board, the Nomination Committee (i) will consider the benefits of all aspects of diversity in order to maintain an appropriate range and balance of talents, skills and experience on the Board; and (ii) may discuss and recommend measurable objectives to the Board for achieving diversity on the Board when necessary.

The age group and gender diversity of the Directors as at 31 March 2024 are as follows:

Age Group	Male	Female
41–50	2	1
51–60	1	1
Over 60	1	2
All	4	4

The Nomination Committee is of a view that the backgrounds, skills and experience of the Directors are diverse and they possess the depth of relevant experience and the expertise to oversee the business of the Group. Meanwhile, it considers the Board also has a satisfactory level of gender and age diversity. Biographical details of the Directors as at the date of this annual report are set out on pages 43 to 44 of this annual report.

The gender ratio in the workforce of the Group is disclosed on page 21 of this report. Due to the labour-intensive character of the industry and limited choice of labour supply in the market, the management considers that it is challenging to achieve gender diversity in the entry level of the workforce of the Group.



During the year ended 31 March 2024, the Nomination Committee held one meeting to perform the following work:

- reviewed the structure, size and composition (including the skills, knowledge, experience and diversity considerations) of the Board, and independence of the Independent Non-Executive Directors. In view of the current size and operation of the Group, the Nomination Committee considered that the current structure, size, composition and the diversity of the Board members were appropriate and able to meet the requirements of Listing Rules. No further appointment of Director was considered as necessary as at the date of the meeting;
- considered and recommended the re-election of Mr. Wong Ling Sun, Vincent and Ms. Ng Sui Chun as the Executive Director, Ms. Wong Wai Man, Vivian as the Non-Executive Directors and Mr. James Mathew Fong as the Independent Non-Executive Director;
- conducted annual assessment on the independence of the Independent Non-Executive Directors;
- discussed the continued independence and suitability for the re-election of long-serving Independent Non-Executive Director;
- reviewed the diversity policy of the Group;
- discussed the succession planning for the Directors and the CEO; and
- reviewed and recommended to the Board on the supplemental letter of appointment for Ms. Wong Wai Man, Vivian, which removed the specific term concerning her re-appointment. Her appoint will still be subject to rotation in accordance with the Articles.

The attendance records of each member of the Nomination Committee are set out on page 29 of this report.

#### **Delegation of Responsibilities to Management**

The Board delegates the daily management and administration functions to the management, comprising the Executive Committee and the senior management team of the Group. The senior management team is responsible for executing the day to day business activities under the leadership and supervision of the Executive Committee, and assisting the Executive Committee to implement the approved strategic plans, goals and objectives and other responsibilities delegated by the Board to the Executive Committee.

#### **Company Secretary**

All Directors should have access to the advice and services of the Company Secretary. The Company Secretary reports to the Chairman on board governance matters, and plays an important role in supporting the Board by ensuring Board procedures are followed and facilitating good information flows and communications among Directors as well as Shareholders and management. The Company Secretary is also responsible for advising the Board through the Chairman on governance matters and should also facilitate induction and professional development of Directors. The Company Secretary completed more than 15 hours of relevant professional training during the year ended 31 March 2024.

#### **EXTERNAL AUDITOR**

The external auditor is primarily responsible for the auditing and reporting of the annual financial statements. For the financial year ended 31 March 2024, the total remuneration paid or payable to the external auditor was HK\$702,000 (2023: HK\$668,000), of which HK\$609,000 (2023: HK\$580,000) was for audit and HK\$93,000 (2023: HK\$88,000) was for interim review services.

#### **DIRECTORS' AND EXTERNAL AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the financial statements of the Company and of the Group. The financial statements are prepared on a going concern basis and give a true and fair view of the financial position of the Group as at 31 March 2024, and of the Group's financial performance and cash flows for the year then ended. In preparing the financial statements for the year ended 31 March 2024, the members of the Board have made reasonable judgements and estimates, adopted appropriate accounting policies and, apart from those new or revised accounting policies as disclosed in the notes to the financial statements for the year ended 31 March 2024, applied the policies consistently with the previous financial year.

The external auditor's responsibilities are clearly explained in the Independent Auditor's Report contained in this annual report. Please refer to pages 56 to 60 for details.

## RISK MANAGEMENT, INTERNAL CONTROL AND INTERNAL AUDIT

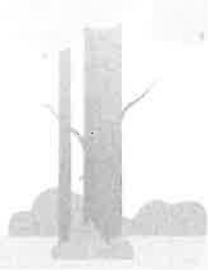
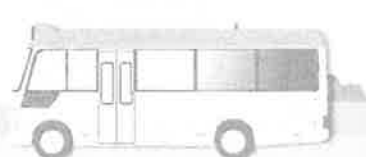
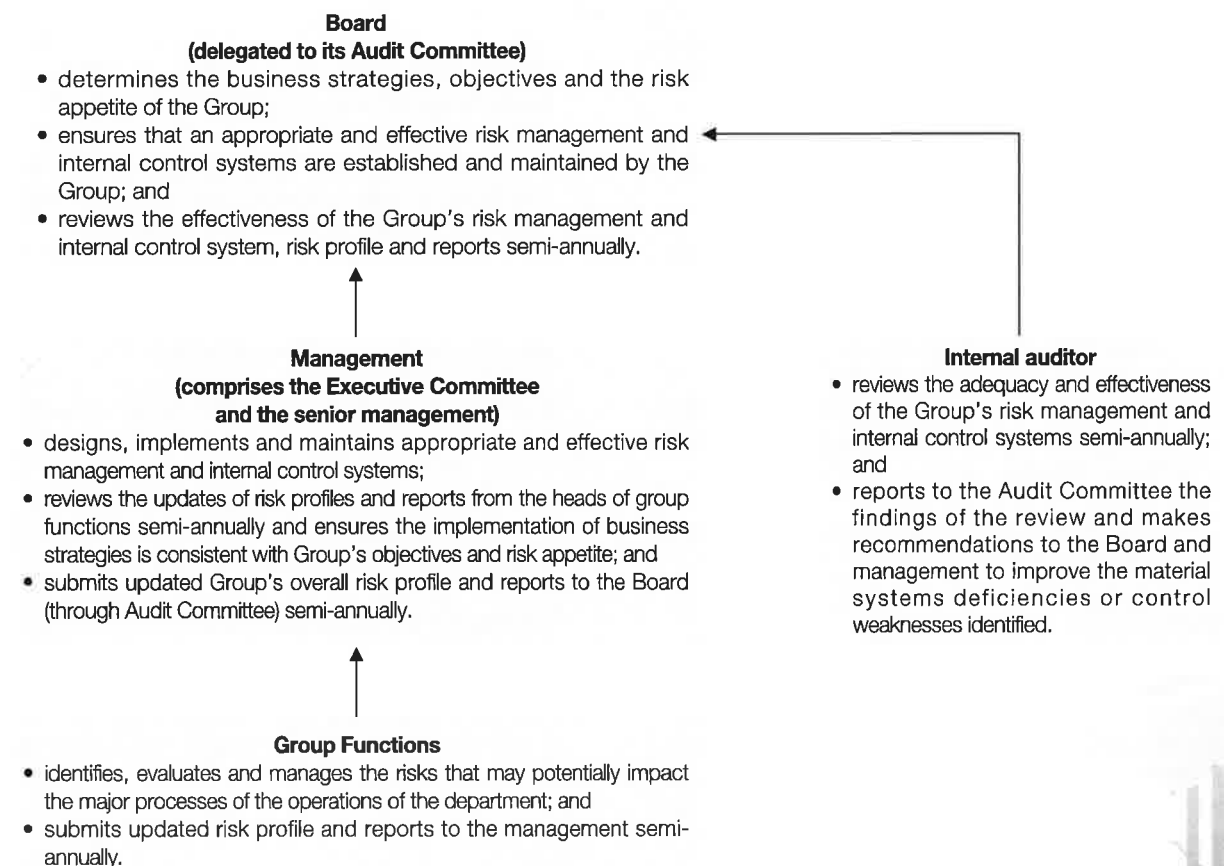
The Board has the overall responsibility in overseeing sound risk management and internal control systems and reviewing its effectiveness annually. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. For the year ended 31 March 2024, the Board confirms that it has through the Audit Committee conducted a review of the effectiveness of the Group's risk management and internal control systems and considers the systems are effective and adequate. The Board also received a written confirmation from the CEO in which the management confirmed that the Group's risk management and internal control systems were effective and adequate throughout the year ended 31 March 2024.

### Risk Management

The purposes of setting up a risk management system for the Group, which are documented in the risk management policy, are as follows:

- to establish a comprehensive risk management framework, processes and culture, and to ensure the Group's management to fully understand the material risks (including the ESG risks) of the Group's business and operations so that they could prevent, avoid or mitigate possible risks which may exist in the market, business and the operations; and
- to ensure that business decisions and operations of the Group's could meet the policies laid down by the Board so that the Group could maintain long-term growth and sustainable development.

The roles and responsibilities of the Board, the senior management, the group functions heads and the internal auditor in the Group risk management process are clearly defined in the Group's risk management policy. The ownership of each risk is clearly assigned to the group functions heads or other personnel in charge to enhance the accountability. The Group's risk governance structure and the main role and responsibilities of each level of the structure are summarised below:



Under the Group’s risk management policy, the process used to identify, evaluate and manage significant risk is as follows:



The Audit Committee is delegated by the Board with responsibilities to oversee the Group's overall risk management system. During the year ended 31 March 2024, regarding the risk management system, the Audit Committee performed the following work:

- Reviewed the adequacy and effectiveness of the risk management system design of the Group;
- Reviewed the updated risk assessment results and the risk profile of the Group and discussed how the Group should implement risk controls measures in response to the changes in the high risk factors;
- Reviewed the bi-annual key risk indicators ("KRIs", including the ESG KPIs) reports, submitted by the management; and
- Reviewed the result of risk management system review carried out by the internal auditor.

**Internal Control**

The Group’s system of internal control includes a defined management structure with limits of authority, and is designed to help the Group achieve its business objectives, safeguard its assets against unauthorised use or disposal, ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations.

The key elements in the internal control system of the Group are:

- clearly defined organisational structure and duties and responsibilities of each employee;
- written code of conduct providing guidelines to the employees on their personal conduct and the ethical requirements when carrying out business activities;
- internal policies and/or guidelines on inside information disclosure, connected transactions reporting and approval, directors' securities transactions etc.;
- bi-annual compliance check on the Code carried out by the Company Secretary;
- a whistle-blowing mechanism for employees to raise concerns, in confidence, with the Audit Committee about possible improprieties related to the Group;
- the Group’s risk assessments are carried out by the senior management regularly;
- stringent internal procedures on significant financial and business activities controls for minimising the operational risk;





- monthly financial and operational reporting system for measuring and monitoring the performance of the Group;
- monthly financial and operational summary reports for the Board to evaluate the financial performance of the Group;
- bi-annual progress reports for the Board to monitor how the Group manages the areas that with higher level of business risks;
- bi-annual internal control review carried out by the outsourced internal auditor for monitoring the effectiveness of the controls;
- bi-annual KRI reports submitted by the management to monitor the key risks of the business; and
- annual Board performance evaluation for the Directors to review and evaluate the overall performance of the Board in the past year.

The Company is committed to complying with the disclosure requirements of the Listing Rules and Securities and Futures Ordinance (the "SFO") to prevent inadvertent or selective disclosure of inside information. The Company, the Directors and its employees must take all reasonable steps to ensure that the relevant information is absolutely confidential before the publication of inside information.

The Company has adopted disclosure of inside information guidelines for the purpose of assisting the Directors and the employees to understand the principles and procedures in the handling of potential insider information of the Group. Employees are required to report to their functions heads and keep it confidential when they are aware of any information that is likely to have a material effect on the price of the shares of the Company. All such reports must be delivered to the CEO as soon as possible. The CEO must assess or seek legal advice on whether the reported information would constitute inside information. Where he considers appropriate, the CEO should report to the Chairman immediately and the Chairman should convene Board meeting to seek the Board's approval on the dissemination of the inside information as soon as possible.

The Directors and employees in possession of the inside information are prohibited to deal in any securities of the Company until the inside information is formally disclosed in the websites of the Stock Exchange and the Company. The Company should apply for trading halt or suspension of stock trading if they consider that the inside information has been leaked before a formal announcement is published.

#### **Internal Audit**

The Group does not have an internal audit department. The internal audit function has been outsourced to professionals in accountancy, as selected by the Audit Committee. The internal auditor is independent of the Group and conduct internal audits on areas of concern identified by the Audit Committee annually. The term of the engagement of the internal auditor is fixed at three years in order to have a structured and comprehensive audit plan and achieve continuity. The internal auditor reports to the Audit Committee directly and the members of the Audit Committee have free and direct access to the head of the internal auditor without reference to the Executive Directors or the management. The Board has overall responsibilities to maintain sound and effective risk management and internal control systems of the Group.

The internal auditor provides an independent review of the adequacy and effectiveness of the risk management and internal control systems and the sufficiency of the compliance of corporate governance in accordance with the Code. A three-year audit plan framework, which is prepared based on risk assessment methodology and covers all material financial, operational and compliance controls and risk management functions, has been approved by the Audit Committee upon the engagement of the Internal auditor. Before commencing their fieldwork each year, the internal auditor submits a detailed audit plan to the Audit Committee for its discussion and approval. During the year, the risk management and internal control review covered the assessment of the effectiveness of the Group's risk management and internal control systems by reference to a framework set by the Committee of Sponsoring Organisations of the Treadway Commission (the "COSO Framework"), which consists of five inter-related components, namely (i) control (or operating) environment; (ii) risk assessment; (iii) control activities; (iv) information and communication; and (v) monitoring. The review also covered significant business processes and activities of the Group and follow-ups of the corrective measures of the weaknesses identified in previous reviews.



Furthermore, in order to maintain the effectiveness of the financial reporting and compliance process, the risk management and internal control review also considered the adequacy of resources, staff qualification and experience, training programmes and budget of the Group's accounting and financial reporting function.

The internal audit also covered the review of internal controls on carrying out connected transactions during the year. Apart from the annual review on continuing connected transactions by external auditor, the internal auditor also assisted the Independent Non-Executive Directors to review the adequacy and effectiveness of the internal control procedures to ensure that the connected transactions were conducted in accordance with the pricing policies or mechanism under the agreements.

Any identified control weaknesses are addressed in the risk management and internal control review reports (the "Review Reports"). Draft Review Reports are sent to the Executive Directors, the CEO and the senior management concerned for the management's comments and responses. The finalised Review Reports are submitted to the Board and the Audit Committee for their review twice per year. The Board and the internal auditor consider that the Group's material internal controls are adequate and effective and the Group has complied with the code provisions on risk management and internal control set out in the Code during the year 31 March 2024.

## SECURITIES TRANSACTIONS

The Company has adopted codes of conduct regarding securities transactions by Directors and relevant employees (as defined in the Code) (the "Securities Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. A copy of the Securities Code has been sent to each Director. The Securities Code is also applicable to the employees of the Group who are likely to be in possession of unpublished inside information in relation to the Group.

Formal written notices are sent to the Directors and relevant employees as reminder that they must not deal in the securities and derivatives of the Company during the period of 30 days and 60 days immediately preceding the date of publication of the Company's interim results and annual results respectively and until after such results have been published.

Under the Securities Code, the Directors are required to notify the Chairman and receive a dated written clearance before dealing in the securities and derivatives of the Company and, in the case of the Chairman himself, he must notify the designated Director and receive a dated written clearance before any dealing. The clearance to deal is valid for not more than five business days from the day it is received.

Having made specific enquiries, all Directors have confirmed that they have met the required standard set out in the Securities Code and the Model Code throughout the financial year under review. Directors' interests as at 31 March 2024 in the shares in the Company and its associated corporations (within the meaning of Part XV of the SFO) are set out on page 49 of this annual report.

## INVESTOR RELATIONS

### Shareholders' Communication Policy

The Company continues to enhance relationships and communication with its investors. A shareholders' communication policy has been set up in order to enable the Company to provide its shareholders and potential shareholders with equal and timely information of the Company (including financial results, important developments, strategic goals and plans, corporate governance and risk profile etc.) at any time effectively and to avoid selective disclosure. Detailed information about the Company's performance and activities has been provided in the annual reports and the interim reports which have been sent to shareholders via electronic channels and published on the websites of the Company and the Stock Exchange. The Company maintains close communication with investors, analysts, fund managers and the media by way of individual interviews and meetings. The Group also responds to requests, information and queries from the investors in an informative and timely manner.

The Board also welcomes the views of shareholders on matters affecting the Group and encourages them to attend shareholders' meetings to communicate any concerns they might have with the Board or senior management directly. In order to promote effective communication, the Company maintains its website at [www.amspt.com](http://www.amspt.com) on which financial and other information relating to the Group and its businesses is disclosed.



Shareholders, potential investors and analysts may enquire about information of the Company, ask questions or give comments to the Board by sending email to the Company (e-mail address: [ir@amspt.com](mailto:ir@amspt.com)). The Company will answer reasonable questions raised by the shareholders and potential investors and analysts provided that there is no violation of the Company's disclosure of inside information guidelines. However, in order to avoid selective disclosure and disclosing inside information, the Company will only provide information that has been published by the Company.

During the year, the Board reviewed and amended the shareholders' communication policy of the Company and concluded that the policy was effective and sufficient.

#### General Meetings

All Directors are invited to general meetings to develop a balanced understanding of the views of shareholders. For each substantially separate issue at a general meeting, a separate resolution is proposed by the chairman of that meeting.

The Chairman and the chairmen of the Audit Committee, Remuneration Committee, Nomination Committee and any other committees (as appropriate) attend the AGM and other relevant general meetings to answer questions raised by the shareholders. In their absence, the Chairman shall invite another member of the committees to attend. These persons will be available to answer questions at the AGM. The external auditor is also invited to the AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

The Directors' attendance of AGM 2023 is set out on page 29 of this report.

#### Convening General Meetings by Shareholders

Shareholders may convene an extraordinary general meeting ("EGM") and make proposals for businesses to be transacted thereat in the following manner:

- (a) Any one or more shareholders holding at the date of deposit of the Requisition (as defined below) not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company (the "Eligible Shareholder(s)") shall at all times have the right, by written requisition (the "Requisition") sent to the principal place of business of the Company in Hong Kong at 11-12/F, Abba Commercial Building, 223 Aberdeen Main Road, Aberdeen, Hong Kong, for the attention of the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in the Requisition.
- (b) The Requisition must state clearly the name(s) of the Eligible Shareholder(s) concerned, its/his/her/their shareholding in the Company as at the date of the Requisition, the reason for convening an EGM, the agenda proposed to be included and the details of the businesses proposed to be transacted at the EGM, signed by all the Eligible Shareholder(s) concerned.
- (c) The Requisition will be verified with the Company's branch share registrar in Hong Kong, and upon its confirmation that the Requisition is proper and in order, the Company Secretary will ask the Board to convene an EGM to be held within two months after the deposit of the Requisition by serving sufficient notice in accordance with the Articles and the applicable laws, rules and regulations (including without limitation the Listing Rules) to all registered shareholders. On the contrary, if the Requisition has been verified as not in order, the Eligible Shareholder(s) concerned will be advised of such outcome and accordingly, the Board will not call an EGM.



- (d) If within 21 days of such deposit the Board fails to proceed to convene such EGM, the Eligible Shareholder(s) concerned itself/himself/herself/themselves may convene such EGM in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of such failure of the Board shall be reimbursed to the Eligible Shareholder(s) concerned by the Company.

Note: There is no express provision allowing shareholders to make proposals (other than a proposal for election of a person as a Director) at any general meeting convened by the Board (not on requisition of Shareholders) under the Articles or the laws of the Cayman Islands.

### **Constitutional Documents**

There was no change to the Articles of the Company during the year.

