

(revised and effective on 1 March 2012)



KARL THOMSON HOLDINGS LIMITED

高信集團控股有限公司

(incorporated in Bermuda with limited liability)

(於百慕達註冊成立的有限公司)

(Stock Code: 007)

(股票編號: 007)

AUDIT COMMITTEE – TERMS OF REFERENCE

審核委員會職權範圍

Constitution

組成

1. The Audit Committee (the “Committee”) is established pursuant to a resolution passed by the board of directors (the “Board”) of Karl Thomson Holdings Limited (the “Company”) in the meeting held on 16 August 2000.

審核委員會（“委員會”）是按高信集團控股有限公司（“公司”）之董事會（“董事會”）於2000年8月16日會議通過成立的。

Membership

成員

2. The Committee shall consist of not less than three members appointed by the Board (the “Member(s)”), all of whom shall be non-executive directors and a majority of whom shall be independent non-executive directors (the “INED”). At least one INED must be with appropriate professional qualifications or accounting or related financial management expertise¹. 委員會應由董事會委任及最少由三名成員組成。全體成員須為非執行董事，而過半數成員須為獨立非執行董事，而其中至少一名獨立非執行董事須具體適當專業資格、或具備適當的會計或相關財務管理專長。
3. The Chairman of the Committee shall be appointed by the Board and must be an INED. 委員會的主席須由董事會委任及須為獨立非執行董事。
4. The role of Chairman shall rotate every two years. 主席一職應每隔兩年轉換一次。

¹ It is a requirement under rule 3.10(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

這是按香港交易所訂立之〈主板上市規則〉第3.10(2)條要求

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5. A former partner of the Company's existing auditing firm should be prohibited from acting as a member of the Committee for a period of one year commencing on the date of his ceasing :
- A. To be a partner of the firm; or
 - B. To have any financial interest in the firm
- whichever is the later.²
- 現時負責審計公司帳目的核數公司的前任合夥人在以下日期起計至少一年內(以日期較後者為準)，不得擔任委員會的成員：
- A. 他終止成為該公司的合夥人的日期；或
 - B. 他不再享受公司財務利益的日期。

Secretary

秘書

6. The company secretary of the Company shall be the secretary of the Committee (the "Secretary").
- 公司秘書應為委員會的秘書（“秘書”）。
7. Notwithstanding any other provisions in the terms of reference, the Committee may from time to time appoint any other person with appropriate qualification and experience as the secretary of the Committee.
- 儘管其他條款另有規定，委員會可不時委任其他具有合適資格和經驗的人士擔任委員會秘書。

Frequency and proceeding of Meetings

會議程序及次數

8. Meetings shall be held not less than twice a year. Additional meeting should be held as the work of the Committee demands. The external auditors may request a meeting if they consider it necessary and upon the receipt of such request, the Secretary shall convene such a meeting as soon as reasonably practicable.
- 委員會每年須至少召開兩次會議。如委員會認為有需要，可要求額外召開會議。若公司的外聘核數師認為有需要，可要求召開會議。當收到有關要求後，秘書需於合理的時間內召集成員開會。
9. The quorum for a meeting shall be two members. In the event of an equality of votes, the Chairman of the Committee shall be entitled to a second or casting vote.
- 會議的法定人數為兩名成員。若票數均等，委員會的主席有權投第二票或決定票。
10. Unless otherwise agreed by all the Committee members, a meeting shall be convened by at least seven days' notice. If a meeting is called by a shorter notice, it shall be deemed to have been

² It is a requirement under code provision C3.2 of the Appendix 14 Code on Corporate Governance Practices 這是按附錄十四〈企業管治常規守則〉第 C3.2 條要求

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duly called if it is so agreed by a majority of the members. A member who attends such a meeting shall deem to agree to the shorter notice.

除非委員會全體會員同意，否則委員會的會議通知期，不應少於 7 天。但即使會議召開的通知期短於前述通知期，如獲半數成員同意召開，該會議須仍視作妥為召開。成員出席該會議視作同意該通知期。

11. Meetings could be held in person, by telephone or by video conference.
會議可以親身出席、電話或視像會議形式召開。
12. Resolutions of the Committee at any meeting shall be passed by a majority of votes of the Members present.
委員會會議的決議須由出席會議過半數的成員通過。
13. A resolution in writing signed by all Members of the Audit Committee shall be as valid and effectual as if it had been passed at a meeting of the Committee duly convened and held.
一份由委員會全體成員簽署的書面決議，是有效及有作用的，猶如該決議是在一次妥為召開及舉行的委員會會議通過一樣。

Attendance at Meetings

出席會議

14. As necessary or desirable, the Chairman may request that members of management, the head of internal audit and representatives of the external auditors be present at meetings of the Committee. Other Board members shall also have the right of attendance.
按需要或理想地，主席可要求管理層成員、內部核數部門主管、外部核數代表出席委員會會議。其他董事會成員亦有權出席。

Authority

權力

15. The Committee is authorized by the Board to investigate any activity within its terms of reference. It is authorized to seek any information it required from any employee and all employees are directed to co-operate with any request made by the Committee.
委員會獲董事會授權在職權範圍內進行調查。委員會有權向所有僱員索取資料，而所有僱員均須與委員會合作。
16. The Committee shall report to the Board any suspected frauds and irregularities, failures of internal control or suspected infringements of laws, rules and regulations which come to its attention and are of sufficient importance to warrant the attention of the Board.
委員會需就懷疑欺詐及不正當行為、內部管理失調或懷疑違反法例、章程和條例等事宜，向董事會提出嚴正警示及報告。

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17. Where the Board disagrees with the Committee's view on the selections, appointment, resignation or dismissal of the external auditors, the Committee will arrange for the Corporate Governance Report in the Annual Report to include an explanation of the Committee's view and the reason why the Board has taken a different view³.

當委員會及董事會就挑選、委任或辭退外聘核數師事宜上意見不合時，委員會將需要在年終報告之企業管治報告內解釋委員會的意見及董事會否決的原因。

18. The Committee is to be provided with sufficient resources to discharge its duties.

委員會可獲供給充足的資源以適合地履行其職責及職能。

Duties

職責

19. The duties of the Committee shall be :-

委員會的職責應包括：

- (a) To make recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the audit fees and the terms of engagement of the external auditor, and any questions of their resignation or dismissal;
就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款、及處理任何有關該核數師辭職或辭退的問題；
- (b) To monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, and to discuss with the external auditor the nature and scope of the audit and reporting obligations before the audit commences;
按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效，並於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；
- (c) To develop and implement policy on the engagement of an external auditor to supply non-audit services, and to report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken;
就外聘核數師提供非核數服務制定政策，並予以執行，以及就其認為必須採取行動或改善的事項向董事會報告，並建議有那些可採取的步驟；
- (d) To monitor integrity of the Company's financial statements, annual report, accounts and the half-year report, and to review significant financial reporting judgments contained in them. In this regard, in reviewing the Company's annual report, accounts or the half-year report, the

³ It is a requirement under code provision C3.5 of the Appendix 14 Code on Corporate Governance Practices
這是按附錄十四〈企業管治常規守則〉第 C3.5 條要求

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Committee should focus particularly on :-

監察公司財務報表、年度報告、賬目、半年度報告之的完整性，並審閱報表及報告所載有關財務申報的重大意見。在這方面，委員會在向董事會提交有關公司年度報告賬目及半年度報告之財務報表前，應特別針對以下事項：

- (i) Any changes in accounting policies and practices;
會計政策及實務的任何更改；
- (ii) Major judgmental area;
涉及重要判斷的地方；
- (iii) Significant adjustments resulting from the audit;
因核數而出現的重大調整；
- (iv) The going concern assumption;
企業持續經營的假設；
- (v) Compliance with accounting standards; and
是否遵守會計準則；及
- (vi) Compliance with the Listing Rules of The Stock Exchange and legal requirements;
是否遵守《上市規則》及其他法律規定。

In this regard :-

就上述而言：

- (i) Members of the committee must liaise with the Board, senior management and the committee must meet, at least once a year, with the external auditor; and
委員會成員須聯同董事會和高層管理人員與核數師每年至少開會一次；及
 - (ii) The committee should consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the staff responsible for the accounting and financial reporting function, compliance officer or auditors.
委員會應考慮於該等報告及賬目中所反映或需反映的任何重大或不尋常事項，並須適當考慮任何由公司屬下會計及財務匯報職員、監察主任或核數師提出的事項。
- (e) To oversee the Company's financial reporting system and internal control procedures by performing the followings:-
透過下列措施以監管公司財務申報制度及內部監控程序：
- (i) To review the Company's financial controls, internal control and risk management systems;
檢討公司的財務監控、內部監控及風險管理制度；
 - (ii) To discuss with the management the system of internal control and ensure that management has discharged its duty to have an effective internal control system including the adequacy of resources, qualifications and experience of staff of the

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Company's accounting and financial reporting function, and their training programmes and budget;

與管理層討論內部監控系統，確保管理層已履行職責建立有效的內部監控系統，包括考慮發行人在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足；

- (iii) To consider any findings of major investigations of internal control matters as delegated by the board or on its own initiative and management's response;
主動或應董事會的委派，就有關內部監控事宜的重要調查結果及管理層的回應進行研究；
- (iv) where an internal audit function exists, to ensure co-ordination between the internal and external audits, and ensure that the internal audit function is adequately managed and has appropriate standing within the Company;
如公司設有內部核數功能，須確保內部和外聘核數師的工作得到協調，也須確保內部核數功能在公司內部有足夠的資源運作，並且有適當的地位；
- (v) To consider the Company's financial and accounting policies and practices;
檢討公司的財務及會計政策及實務；
- (vi) To review external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response;
檢查外聘核數師給予管理層的《審核情況說明函件》、核數師就會計記錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；
- (vii) To ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
確保董事會及時回應於外聘核數師給予管理層的《審核情況說明函件》中提出的事宜；
- (f) To review compliance with regulatory and legal requirements by the Company;
檢討公司所遵循的管理和法律規定；
- (g) To report to the Board on the matters set out in this terms of reference;
就本職權範圍條文所載的事宜向董事會匯報；
- (h) To consider any other matter, may be as defined by the board from the time to time.
考慮及執行其他由董事會界定的事項；
- (i) To establish a whistle blowing policy and system for employees and those who deal with the Company (e.g. customers and suppliers) to raise concerns, in confidence, with the Committee about possible improprieties in any matter related to the Company and to ensure that

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arrangements are in place for fair & independent investigation of these matters for appropriate follow up action.

建立一個警示政策及系統，讓僱員和與公司有關的人士（例如客戶及供應商）可有信心地提出關於公司的任何不合當事宜，同時應確保有適當安排，讓公司對此等事宜作出公平獨立的調查及採取適當行動。

Reporting Procedures

匯報程序

18. Full minutes of Committee meetings shall be kept by the Secretary.
完整之委員會會議紀錄應由秘書保存。
19. Draft and final versions of minutes of Committee meetings shall be sent to all Members for their comments and records respectively.
初稿及最後定稿之委員會會議紀錄需發送予所有成員（初稿供成員表達意見，最後定稿作其紀錄之用）。

Continuing application of the articles of association of the Company

公司組織章程之持續適用

20. The articles of association of the Company regulating the meeting and proceedings of the Directors so far as they are not replaced by the provisions in this terms of reference shall apply to the meetings and proceedings of the Committee.
就前文未有作出規範，但本公司章程作出了規範的董事會會議程序的規定，適用於委員會的會議程序。

Miscellaneous

其他

21. The English text of this terms of reference will prevail over the Chinese text in case of any inconsistency.
若此職權範圍的中文與英文版本不一致，一切以英文版本為準。