

8. CODE OF BEST PRACTICE

The company has complied throughout the report period with the Code of Best Practice as set out by the HKSE in Appendix 14 to the Rules Governing the Listing of Securities.

The third meeting of the Audit Committee of the Board of the Company was held on 24 August 2001, and mainly reviewed the Interim Report of the Group during the report period.

By order of the Board
Fu Xing-tang
Chairman

24 August 2001, Nanjing