

CORPORATE GOVERNANCE

The Directors are of the opinion that the Company has been in compliance with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited for the six months ended 30 June 2001, except for Guideline 7 that Non-executive Directors of the Company are appointed for a term expiring upon their retirement by rotation as required by the Company's Articles of Association.