

**AUDIT COMMITTEE**

The Board of Directors has established an Audit Committee in year 1998 and has formulated its written terms of reference in accordance with the requirements of The Stock Exchange of Hong Kong Limited. The Audit Committee comprises two independent non-executive Directors and one non-executive Director.

The Unaudited Financial Statements for the six months ended 30th June, 2001 have been reviewed by the Audit Committee of the Company.