

COMPLIANCE WITH CODE OF BEST PRACTICE

All of the recommendations and guidelines of the Code of Best Practice issued by The Stock Exchange of Hong Kong Limited (the “Code”) have been complied with by the Company, except that independent non-executive directors are not appointed for specific terms as recommended by the Code. According to the Bye-laws of the Company, one third of the directors of the Company will retire by rotation every year and their appointments will be reviewed when they are due for re-election which, in the opinion of the directors, meets the same objectives.

By order of the Board

LIANG Jin You

Chairman

Hong Kong, 18 December 2001