

## AUDIT COMMITTEE

The Company has an Audit Committee which was established in accordance with the requirements of the Code of Best Practice, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee has reviewed the management and accounting principles and practices adopted by the Group and discussed auditing and financial reporting matters including the review of the unaudited financial statements.

ON BEHALF OF THE BOARD

**HE Xuechu**

*Chairman*

Hong Kong

15 August 2003