



NEW MANAGEMENT PRACTICES

The Company's board of directors has established the Remunerations and Performance Evaluation Committee to study and establish a remuneration policy and plan for the Company's senior management with the purpose of stimulating the initiative and creativity of operating management teams.

In the second half of the year, the Company will continue to strengthen the management over accounts receivable, inventories and capital to enhance the quality of economic operation. At the same time, the Company will actively adopt new measures similar to advanced enterprises in respect of staff training, remuneration packages and adjustment in organisation structure.

The Company's board of directors believes that the above measures will further enhance the Company's operating results in the second half of the year and provide a satisfactory investment returns to shareholders.