

Compliance with Code of Best Practice

None of the Directors of the Company are aware of any information that would reasonably indicate the Company, during this period, has not been in compliance with the Company's Code of Best Practice, which incorporates the items set out in Appendix 14 of the Listing Rules issued by HKSE.

In compliance with rules 3.10(1) and (2) of the Listing Rules, Graham L. Pickles, who possesses appropriate professional qualifications and experience in financial matters, was appointed as the third independent Non-executive Director and the third member and Chairman of the Audit Committee. The Audit Committee is currently composed of three independent Non-executive Directors and is in compliance with rule 3.21 of the Listing Rules. Reporting to the Board of Directors, the Audit Committee reviews matters within the purview of audit, such as Financial Statements and internal control, to protect the interests of the Company and its shareholders. The Audit Committee meets regularly with the Company's external auditors to discuss the audit process and accounting issues.

Having made specific enquiry, all of the Directors have complied with the Company's code of conduct regarding directors' securities transactions, prepared and adopted on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the Model Code), Appendix 10 of the Listing Rules.