

AUDIT COMMITTEE

The written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to “A Guide for The Formation of An Audit Committee” published by the HKSA.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed with management in respect to financial reporting matters, including a review of the unaudited interim accounts of the Group for the period, who are of the opinion that such statements comply with the applicable accounting standards and the Listing Rules and that adequate disclosures have been made. The Audit Committee comprises two independent non-executive directors of the Company, namely Mr. Kan Siu Lun and Mr. Liu Kwok Wah.

On behalf of the Board

Lee Man Fa

Chairman

Hong Kong, 30 July 2004