

AUDIT COMMITTEE

The Audit Committee of the Company consists of two independent non-executive Directors, namely Mr. Chiu Chi Cheong, Clifton and Mr. Wang Dianzuo and one non-executive Director, namely Mr. Chen Xiaozhou. The Audit Committee has reviewed and confirmed the unaudited interim report for the six months ended June 30, 2004.

Xiao Yaqing

Chairman and Chief Executive Officer

Beijing, PRC
August 23, 2004