

PROSPECT

Management is confident that the encouraging performance is likely to continue into the second half of this year, as business orders continue to be strong for the line of touch-screen schedulers, and with the new potential contracts from certain new world-class customers for digital products. The digital product lines are also expected to begin contributing to the Group's revenue and profitability in the coming period.

Upon conclusion of the business agreements with these new world-class brands, the Group intends to increase the production lines for digital products to three by the fourth quarter of 2001. This new business line is expected to become the Group's future drive of profit growth and a major income stream.

Looking ahead, the Group will continue to strengthen its competitive edge by innovating new product features and embracing the latest digital technologies in its future roll-out of new product lines.