

Chairman's Statement

For the financial year ended 31 December 2000, the Company and its subsidiaries (the "Group") recorded a profit attributable to shareholders of approximately HK\$9 million (1999 : approximately HK\$32 million). Earnings per share was HK\$0.31 (1999 : HK\$1.09).

The drop in profit is due to several reasons, which is further explained under the "Management Discussion and Analysis" section. An interim dividend of HK\$0.25 per share was paid during the year 2000. The Board of Directors has resolved not to recommend any final dividend for the year ended 31 December 2000.

With its abundant financial resources, the Group will explore and examine any suitable investment opportunities that arise. Although there are still some uncertainties around the economy in Hong Kong, the Group is optimistic on the prospects of the current economic recovery and believes that its resources could be better utilized to strengthen and to diversify its existing business. The Group will maintain an open attitude and will secure any good investment opportunities at the appropriate time.

Chiu Tao

Chairman

Hong Kong, 2 March 2001