

CHAIRMAN'S STATEMENT

"PRUDENT GROWTH WHILE MAINTAINING FINANCIAL STABILITY...."

For the fiscal year ended 31st March 2001, the Group recorded a consolidated net profit of HK\$195,000 (2000: Loss of HK\$90.7 million). A detailed business review is provided in the Managing Director's Report on pages 4 to 9. The Directors do not recommend the payment of a final dividend (2000: Nil).

During the year, we achieved significant progress in developing new businesses in telecommunication infrastructure and information technology (IT) services by partnering with strategic investment funds and industry leaders. However, since the end of 2000, telecommunication and IT industries have experienced a severe downturn due to the worldwide crash of the telecom and technology stocks. Although the current economic uncertainties have impacted the growth pace of our Group in the near term, we remain confident that Internet and broadband communication technology are the key drivers of the world's future economic growth. We shall continue our prudent growth strategy while maintaining financial stability of the Group.

Once again, I would like to thank our shareholders, directors, and staff for their dedicated support throughout the year.

Rossana Wang Gaw

Chairman

Hong Kong, 19th July 2001

