

PROSPECTS

The Group believes that the superior products and techniques will still be able to capture a stable market share. In particular, the Group has executed some effective strategies to cope with the economic downturn. These include stringent cost control, exploration of new products and markets, especially the private property developers and foreign markets.

The Group believes that the construction material industry will be improved next year, as several infrastructure construction projects will be started and the Government will release some of the public housings construction contracts in the second half of 2001.

Apart from developing the local and foreign markets, the Group is also exploring the markets in China, which aims to incorporate the Group's professional knowledge and management experience into this enormous construction materials market.