

MANAGEMENT COMMENTARY

TO THE SHAREHOLDERS

On behalf of the Board of Directors (the "Board") of Softbank Investment International (Strategic) Limited (the "Company" or "Softbank Strategic"), I would like to announce the operating results of the Company and its subsidiaries (the "Group") for the six months ended 31 December 2001.

INTERIM RESULTS AND DIVIDENDS

Consolidated turnover of the Group was HK\$104.6 million for the six months ended 31 December 2001, a 44.9% growth over the corresponding six months ended 31 December 2000. Consolidated loss attributable to shareholders amounted to HK\$21.5 million, compared with a profit of HK\$6.0 million for the corresponding period in 2000. Loss per share was HK\$0.95 cents, compared with earnings per share of HK\$0.32 cents for the corresponding period in 2000.

The Board has resolved not to pay any interim dividend to shareholders (2000: nil).