

Chairman's Statement

Looking ahead to the year 2002 from a macro perspective, China's accession to the World Trade Organization is expected to have a positive effect and will bring new business opportunities. However, as the Hong Kong economy is still facing various different uncertainties, and coupled with the needs for structural readjustments, the present operating environment is still subject to severe challenges. Against this background, the Group is striving its efforts to make strategic changes in its business consistent with the general direction for futures developments, and to cope with the difficulties confronting the financial industry.

The increasing demand of the PRC corporations for funding has further enhanced the role of Hong Kong as the international financial centre, and our corporate finance division has expanded to explore the potential to assist these corporations for listings at the Main Board and GEM of the Hong Kong Stock Exchange. At the same time, in view of the low interest rate environment worldwide, personal and institutional investors are constantly seeking for a higher and yet safe return. The Hantec personal financial centers are established to meet their needs; and it represents a major step towards the development of our personal financial management business.

As to our overall corporate development, our efforts to explore further business opportunities will continue. Our established electronic trading systems will greatly assist us achieving such aim, particularly in the development of markets overseas.

Tang Yu Lap
Chairman

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