

CHAIRMAN'S STATEMENT



Despite a prolonged downturn in the Hong Kong economy, our Group has been successful in implementing a repositioning strategy to capture the potential offered by China's entry into WTO. We strongly believe that Hong Kong has a unique and positive role for the next five years to bridge the rest of the world with China. We believe that the financial years ended 31 March 2002 and 2003 are transitional periods for our Group to reposition ourselves.

To reposition our Group to capture the new opportunities ahead, the Group will grasp investment opportunities that enhance growth potential on one hand and will dispose of or reduce investments that are not within our new investment strategy. We take a conservative approach towards investments that are not in our new investment strategy by written down those investments which at our current evaluation may not provide solid growth nor profit potential in the near future.

During these transitional periods, the Group looks into the future with confidence where we have invested in a variety of high potential industries, including retail and wholesale of consumer products in Hong Kong, the provision of transportation and logistics service in the mainland, advertising agency, environmental engineering, new high tech business, highway project in the mainland. Moreover, we will further expand and develop our already strong position in mid-cap equity market. Furthermore, we dedicate to evaluate and make timely investment decisions into fields that will enhance our strategic position as well as provide synergistic value to our present projects. We believe these investments will lead the Group into years of high growth and return.

Our investment in Ever-Long Holdings Limited which holds a wholly owned subsidiary, Ever-Long Securities Company Limited ("Ever-Long Securities"), performed well in the year even though in a very difficult financial market. Ever-Long Securities was involved in many IPO projects, placements, rights issues and participated in over twenty deals in the year and total sums involved in such deals was about HK\$1.2 billion.

To ensure the Group is correctly positioned and our strategy is properly implemented, we will dedicate to employ the best internal and external human resources to achieve our objectives.

I would like to take this opportunity to express my deepest gratitude to our shareholders for their support and to our staff for their dedication, loyalty and hard work over the year.

Steven Wang Tai Li

Chairman

Hong Kong, 18 July 2002