

## CHAIRMAN'S STATEMENT



The Group reported a loss attributable to shareholders of HK\$10 million this year compared to a profit of HK\$55 million last year. A large part of the loss was due to a provision of HK\$39 million made on the revaluation of fixed assets and investment properties. Overall this year, the Group's core retail and trading operations posted a profit of HK\$24 million, the same as the previous year. Losses mainly from operations located in regions that are suffering from recessions or are politically unstable affected overall operating results. A full review of the Group's operations is set out on pages 4 to 5.

We are encouraged by the positive operating results as it is evident of appropriate strategies and steps taken by management these last few years, during one of the most challenged periods of the nearly 40 year history of the Group. These challenges are however, by no means over, as buying sentiment in many places where we mainly operate will remain weak. Notwithstanding, these challenges, which will be met head on through a combination of the strategies implemented so far and the commitment of our staff, we expect our core operations to report positive performances next year.

Last but not least, I must express appreciation to staff and other Board members for yet again their hard work and commitment during the year.

**Wong Chue Meng**  
*Chairman*

Hong Kong, 19th July 2002