



Comprehensive Financial Services

Having been successfully listed

on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 30th January 2002, I am pleased to present our annual report 2002 to witness and celebrate the promising returns that Tanrich Financial Holdings Limited ("Tanrich" or the "Company") and its subsidiaries (collectively the "Group") has generated for its shareholders.

Needless to say, year 2002 has been a year of turbulence for the global financial market due to the global

economic slowdown and the tragic 9/11 incident.

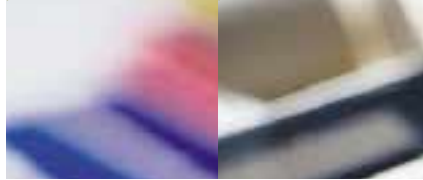
Although Hong Kong, too, is suffering from the adverse impact of the slowdown, the Group has benefited from focusing on Japanese commodity futures as its core business focus, as well as from the stable growth of the Tokyo Grain Exchange ("TGE") and Tokyo Commodity Exchange ("TOCOM") markets. For the year ended 30th June 2002, turnover amounted to HK\$161.3 million, an increase of 30.7% over the corresponding period in 2001.

Under the challenging environment, Tanrich has continued to achieve sustainable business growth, thanks to the hard work and dedication of all staffs.



Mr Yip Man Fan
Founder and Chairman

Chairman's Statement



Every team player in Tanrich is well prepared to establish a solid foundation for its future business developments.

Throughout the year, the Group has continuously focused on improving its operating activities by implementing stringent cost control measures, enhancing operating efficiency and internal control, broadening its customer base as well as providing new products. With such clear business directions and dedication, the Group was able to record a surge of 42.1% in operating profit that amounted to HK\$38.2 million. Profit attributable to shareholders reached HK\$30.3 million and earnings per share was HK17.8 cents. During the period under review, when excluding the exceptional gain of HK\$34.2 million from the disposal of non-trading investment, net profit of the Group increased by 40% as compared to the corresponding period of 2001.

The Board of Directors recommended the payment of a final dividend of HK4.5 cents per share for the year ended 30th June 2002 (2001: Nil), together with interim dividend of HK3 cents per share, the total dividend for the year will be HK7.5 cents per share.

In the servicing industry, employees are the most valuable assets in a company. During the year, the Company has appointed Mr. Sin Wai Chiu, Joseph and Mr. Toru Tsunoyama as Executive Directors in April and August 2002 respectively. Mr. Sin and Mr. Tsunoyama, with their extensive experience, unvalued expertise and clear and focused vision, will commit to capture more business opportunities in the new era.



The Group is committed to serve as a comprehensive financial services provider to offer a wide range of financial services and products to its customers. With a unique market position, industry recognition and a successful listing in Hong Kong, the Group is well positioned to capitalise on the sturdy growth of both the TOCOM and TGE markets to facilitate its expansion plans and to increase both the competitiveness of the Group. Looking ahead, the Group will commit to solidifying its competitive edges in the following areas.

First, the Group will strengthen the leading position of its core business, the Japanese commodity futures business, as it is the biggest profit contributor to the Group's business. Second, it will also continue expanding its securities broking and share margin financing business, as well as its corporate finance, asset management and insurance business, so as to further increase their popularity with customers and maximise their profitability. Last but not the least, the Group will recruit professionals and experts to help expand into new business, and also to expand its customer base by continuously offering new products and value-added services.

On behalf of the Board, I would like to express my appreciation to the staff and the management for their continuous belief, dedication and commitment that contributed to the success of the Group today. Most important of all, we would also like to thank our valuable shareholders and customers for their unfaltering support and encouragement. Rest assured that the Group would continue to maximise profitability and expand into even higher horizons for the years to come.

On behalf of the Board,

Yip Man Fan

Chairman

Hong Kong, 9th September 2002