

# Chairman's Statement

I take the pleasure to report that the Group has turned around from loss to profit for the year ended 30 November 2002 after its successful debt restructuring last year.

Despite the relative low level of business turnover in fiscal 2002, the Group reported an overall profit due to an exceptional gain of approximately HK\$34 million upon its successful disposal of two subsidiaries not presently required by the Group under its current mode of operation. With the China's accession to the WTO and Beijing's successful bidding to host the 2008 Olympics Game, economic development and reform in China will undoubtedly bring in tremendous business opportunities. During the year, the Group has therefore continued to evaluate its core business and new business and investment opportunities in China. In order to strengthen and speed up our China development, we invited a new director, who possesses vast corporate finance, merger and acquisition experience in China to join our Board. Since his arrival, various business and investment proposals have been and are now being reviewed, and I am confident that business of our Group will soon be activated shortly in a safe and prudent manner.

On behalf of the Board, I would like to express my heartfelt thanks to our staff and members of our management team for their hard work and dedication to the Group. With their ongoing support, we are confident of a sound prospect of our Group in the future.

**Yeung Kwok Kwong**

*Chairman*

Hong Kong, 28 March 2003