



## CHAIRMAN'S STATEMENT

On behalf of the Board of Directors, I am pleased to present the annual results of Kong Sun Holdings Limited (the "Company") and its subsidiaries ("the Group") for the financial year ended December 31, 2002.

The Group's results for the year under review generally reflected the challenging conditions prevailing in the region. Thanks to the robust performance of the Group's computer trading business, turnover reached HK\$258,109,000, an increase of 41% over the previous year. However, due to asset revaluation and the unfavorable business environment, the Group has had to make certain provisions, resulting in a net loss attributable to shareholders of HK\$133,856,000. The provisions made reflect the Group's prudent management approach and since they are only circumstantial, will not create a significant impact on the Group's long-term profitability. Loss per share stood at HK5.84 cents as compared to earnings per share of HK1.47 cents in the previous year.

As a leading conglomerate maintaining a diversified investment portfolio across Malaysia, the PRC and Hong Kong, the Group's focus for the year will be to leverage the existing asset base to re-establish steady investment income and more importantly, to improve shareholder returns.

Finally, I would like to take this opportunity to extend my sincere thanks to all our business partners, shareholders, directors and staff for their support and contribution to the Group during the past year.

### **KONG LOOK SEN**

*Chairman and Managing Director*

Hong Kong, 12 June 2003