



# **Comprehensive Financial Services**

## Chairman's Statement

Economic environment for the year ended 30th June 2003 was not in anyway better than 2002. People in Hong Kong encountered difficulties and despair unseen for years. Not to mention that, the SARS outbreak had brought Hong Kong and the region's economy to its knees. But all that was over in the middle of 2003 and hope is now on the horizon.

Amid the economic hardships in Hong Kong and in other parts of the world, Tanrich Financial Holdings Limited ("Tanrich" or the "Group") was able to record a modest profit of HK\$10.2 million for the year ended 30th June 2003 (2002: HK\$30.3 million). This was achieved by a series of stringent cost control measures and the determination of both the management and staff. More importantly, the result has clearly demonstrated the strength and competitiveness of Tanrich in the financial services industry in Hong Kong.

For the year ended 30th June 2003, turnover amounted to HK\$126.7 million, a decrease of 21.5% over the corresponding period in 2002, while operating profit recorded HK\$12.9 million which also declined 66.8% over last year's HK\$38.9 million. Profit attributable to shareholders recorded HK\$10.2 million (2002: HK\$30.3 million) and earnings per share was HK5.1 cents (2002: HK17.7 cents).

The Board of Directors recommended the payment of a final dividend of HK1 cent per share for the year ended 30th June 2003 (2002: HK4.5 cents), together with interim dividend of HK1 cent per share, the total dividend for the year would be HK2 cents per share.

While maintaining its edge in the Japanese commodity futures markets Tokyo Grain Exchange ("TGE") and Tokyo Commodity Exchange ("TOCOM"), the Group has expanded into the US commodity and currency futures market last year and launched new products in order to diversify its income stream. The growth in turnover in the US commodity and currency futures market was very promising and reached HK\$29.3 million for the year, which represented 10.5 times over HK\$2.8 million last year.



Mr. Yip Man Fan  
Founder & Chairman

## Chairman's Statement

In the coming year, along the vision of becoming a comprehensive financial services provider in Hong Kong, the Group will further solidify its market niche in Japanese commodity futures market and will continue expanding into the US commodity and currency futures markets while offering wider range of products. On the other hand, the Group will also continue expanding the securities broking and share margin financing as well as corporate finance business. Last but not the least, the Group will further develop its asset management and insurance business. Needless to say, the impressive achievements would not be possible without competent staff and management. The Group will therefore continue its policy in recruiting high quality staff and providing them with professional trainings.

On behalf of the Board, I would like to express my appreciation to the staff and the management for their continuous dedication and commitment that contributed to last year's success in such a challenging operating environment. Lastly, we would like to thank our valuable shareholders, customers for their valuable support and encouragement and, more importantly, we would like to share with you our success in the years to come.

On behalf of the Board,

**Yip Man Fan**

*Chairman*

Hong Kong, 18th September 2003