



## CHAIRMAN'S STATEMENT

**T**he financial year 2002-03 saw the establishment of a key milestone in the history of Asia Aluminum Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") during which we had fully leveraged on our solid foundation built in the last few years to expand into new markets and develop new products.

# TO OUR SHAREHOLDERS

I truly believe this is the right direction for the Group to move along its corporate development trajectory because it enlarges the platform for the Group, enabling it to derive its revenue from a more diversified mix of income streams while at the same time brings to the Group more stable, sustainable and high quality earnings that give rise to long-lasting enhancement in shareholder value.

During the year we capitalized on our years of profitable working partnerships with relevant parties in the PRC and our expertise in construction, integration and management of production facilities to expand our manufacturing presence from Foshan to Zhaoqing where we made our first inroad into production of aluminum sheets, a project that calls for a total investment of over HK\$3 billion.

The new Zhaoqing plant broadens the Group's horizon to the lucrative aluminum sheets or rolled products market in PRC which is at the moment heavily reliant on the imports of premium flat rolled products.

Our elevated production capacity and capabilities enabled us to strengthen our ties with our strategic partner, Indalex Aluminum Solutions Group ("Indalex") in the United States.

The Group has furthered its collaboration with Indalex to leverage on their powerful distribution network and strong clientele in North America, whilst expanding its market share through introduction of a broader product range and distribution via direct sales to interested buyers. This does not only provide the Group with an opportunity to expand its foothold in the North American market but also sharpens its competitive edge to maximize benefits from Indalex's ongoing outsourcing strategy and our own penetration efforts.

*A strong recognition to our ardent efforts spared, I am delighted to announce that the Group has been recently awarded by Forbes Global, for the second time in a row, as one of the "World's 200 Best Under a Billion Companies" for 2003, making it a member of the 9 Hong Kong-based award-winning enterprises.*

I wish to take this opportunity to extend my sincere gratitude to our shareholders for their continued support and to my dedicated management team and staff members, who have been working diligently and devoting the best of their efforts, knowledge and professionalism to reinforce the Group's position as the largest aluminum extruder in Asia.

With our strong foundation, elevated capacity and team of dedicated staff, I am confident that our mission of expanding the Group into one of the world's top-five aluminum extruders in the imminent future will be a realistic and achievable one.

**Mr. Kwong Wui Chun**  
Chairman

Hong Kong, 29 October 2003