

## INTERIM DIVIDEND

The directors of the Company (the "Directors") have resolved not to declare an interim dividend for the six months ended 30th September, 2003 (six months ended 30th September, 2002: nil).

## INTERIM RESULTS

The Directors are pleased to report that there was a marked improvement in the Group's results for the six months ended 30th September, 2003. The Group recorded a net profit of HK\$4,100,000 against the prior period's net loss of HK\$631,000 and earnings per share were HK0.13 cents. The turnaround of the Group's results was primarily due to the success of management in controlling costs, and the increase in profitability of the Group's financing business.

## OPERATIONS REVIEW

For the period under review, the Group continued to be principally engaged in its financing, securities, property and investment businesses. The Group's turnover was HK\$10,648,000 and an overall operating profit of HK\$1,765,000 was achieved against the prior period's operating loss of HK\$238,000. Administrative expenses of the Group dropped by 31% to HK\$6,996,000 principally as a result of stringent cost control imposed by management whereas increase in other operating expenses was mainly due to the impairment loss of HK\$5,660,000 recognized against the Group's intangible asset during the period. The intangible asset represents technology possessed by the Group for the manufacture of global positioning security systems, due to the change in market valuation of such technology, the Directors considered that it is appropriate to recognize an impairment loss against the carrying value of the intangible asset.