Directors' Business Review

For the year ended 31 December 2003, the Group's total revenues increased 43.4%, or US$11.54 million, to US$38.15 million from US$26.60 million of the prior year. The net loss attributable to shareholders was US$5.94 million, or US$0.017 per share, compared to US$5.69 million, or US$0.036 per share in 2002. On pro forma basis, excluding US$7.78 million of depreciation and amortization expenses, the Group would have net income of US$1.84 million for the year. On the balance sheet, the total assets of the Group increased 27.5% to US$34.1 million from US$26.68 million at the end of 2002, and the net assets increased 44.0% to US$13.6 million from US$9.47 million in 2002.

In 2003, the Company's total revenues increased 43.4%

The Group operates in two business segments: exploration, production and sales of crude oil in South Sumatra, Indonesia, and provision of electronics manufacturing services in South Wales, UK.

The exploration, production and sales of crude oil business of the Group is operated by Seaunion Energy (Limau) Ltd., the Company's wholly-owned subsidiary, under a 15-year Enhanced Oil Recovery Contract ("EOR Contract") with PERTAMINA, the largest national petroleum company of Indonesia. Seaunion holds 50% of undivided participating interest in the EOR Contract. All crude oil produced by Seaunion is sold to PERTAMINA.

The net assets increased 44.0%

The Group's electronics manufacturing services were provided by Axiom Manufacturing Services Ltd. in the United Kingdom ("Axiom"). Axiom was acquired by the Group in April 2002 from Aiwa Co. of Japan. Axiom provides comprehensive electronics manufacturing services, from initial product design to volume production, direct order fulfillment and aftermarket support, to original equipment manufacturers (OEMs) in a number of segments of the electronics products and technology markets. Axiom's products include networking equipment such as modems and data capture; telecommunications equipment; consumer products such as high-end audio; electronic sub-systems for the medical, test and security industries; and other electronics equipment and products.

Axiom's manufacturing services are mostly provided on turnkey basis. That is, Axiom directly purchases components specified by its customers, then assembles the components on printed circuit boards, performs post-production testing and provides its customers with production process and testing documentation. Axiom also provides manufacturing services on a consignment basis, whereby Axiom utilizes components supplied by its customers to provide assembly and post-production testing services.

Directors' Business Review

RESULTS OF OPERATIONS

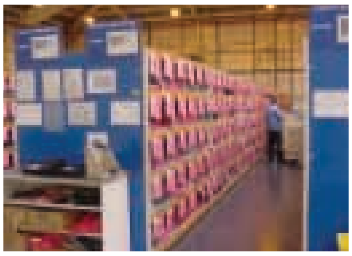
For the year ended 31 December 2003, the Group's total revenues was US$38.15 million, of which US$14.8 million, or 38.7%, was derived from the Group's production of crude oil business, and US$23.2 million, or 60.9%, came from the Group's electronics manufacturing services.

Axiom's turnover increased 116%

The Group's revenues from crude oil production remained at the same level as the prior year at approximately US$14.78. The average daily oil production of the Group decreased slightly from 5,560 barrels per day in 2002 to 5,325 barrels per day in 2003. However, the Group's oil production started to increase in the fourth quarter of the year, climbing to averaging 6,203 barrels per day in December 2003.

For the year ended 31 December 2003, Axiom's turnover increased 116% to US$23.2 million, compared to US$10.8 million for the same period of the last year. The increase in Axiom's turnover was largely due to an increase in both of the number of Axiom's customers and the size of orders taken from each of its customers. However, Axiom's operating losses have significantly expanded from US$2.66 million of 2002 to US$4.42 million of 2003, or 66.5% of increase. Although losses are reducing on month by month basis as Axiom reduces cost to support the move to profitability, the profit margin of Axiom was getting to be lower.

Axiom aims at providing low cost but high quality products



Looking forward, market conditions are expected to be better in the year of 2004. Axiom will continue to bid for high value, low volume work winning as much new business from existing customers as possible while adding new customers to the portfolio. Axiom will continue to focus on differentiating itself by providing a low cost, high quality efficient production facility to companies wishing to outsource their manufacturing.

Directors' Business Review

An analysis of the Company's turnover and revenues for the year by principal activities and market is as follows:

	2003	2002
	US$'000	US$'000
Turnover		
Crude oil and gas	**14,766**	14,775
Electronics manufacturing services	**21,204**	10,464
Total	**35,970**	25,239
Other Revenues		
Interest income	**11**	40
Rental income	**477**	132
Bad debts written back	**–**	96
Government grant	**631**	283
Gain on trading of offshore listed shares	**–**	16
Gain on disposal of fixed assets	**18**	–
Release of negative goodwill	**908**	706
Other income	**130**	90
	2,174	1,363
Total Revenues	**38,144**	26,602

General and Administrative Expenses

For the year ended 31 December 2003, the Group's general and administrative expenses increased 13.8% to US$22.3 million. The increase was largely due to (1) an increase in the Company's depreciation and amortization expenses, from US$4.26 million in 2002 to US$7.78 million in 2003, (2) an increase in staff costs, including directors' remuneration, from US$4.85 million in 2002 to US$9.36 million in 2003, and (3) an increase in foreign exchange losses, from US$1.29 million in 2002 to US$2.97 million in 2003.

For the year, three largest categories of the Group's general and administrative expenses, on consolidation basis, were staff costs, including directors' remuneration (42.0%), depreciation and amortization of properties (34.3%), and foreign exchange losses (13.3%). The three largest expenses as mentioned above were accounted for approximately 89.7% of the Group's total general and administrative expenses.

Net Loss

For the year ended 31 December 2003, the Group had net loss of US$5.94 million, or US$0.017 per share, compared to net loss of US$5.69 million, or US$0.036 per share, in 2002. On pro forma basis, excluding US$7.78 million of depreciation and amortization expenses, the Group would have net income of $1.84 million.

Directors' Business Review

Liquidity and Capital Resources

For the year ended 31 December 2003, the Group's operations have been primarily funded by cash generated from its operations, and to a lesser extent, by issuance of the Company's convertible debentures and issuance of shares of a subsidiary, Weston Technologies Corp.. At 31 December 2003, the Group had cash balance of US$1.25 million, compared to US$1.70 million at the end of 2002.

All crude oil produced by Seaunion is sold to PERTAMINA

The Group's operating activities used US$1.44 million of cash for the year ended 31 December 2003, compared to US$2.19 million of cash used in 2002.

During the year the Group's investing activities used net cash of US$6.55 million, of which US$1.89 million was used to acquire short-term investments, US$1.15 million for additions to oil properties, US$1.39 million for purchase of additional fixed assets, and US$1.88 million for acquisitions of unlisted investment and investment properties.

For the year, the financing activities of the Group provided US$5.12 million of net cash, of which US$2.67 million was from issuance of convertible debentures, US$2.57 million from issuance of the Subsidiary's ordinary shares. During the year, the Group also repaid a total of US$65,000 of short-term borrowings. There were 404,445,811 shares of the Company's ordinary shares issued and outstanding.

Axiom provides comprehensive electronics manufacturing services

At 31 December 2003, the Group had no contingent liabilities.

The Group believes that its cash generated from its operations are adequate to meet its operating needs. However, future cash flows are subject to a number of variables, including the Group's level of oil production and oil prices, demand for our electronics manufacturing services, and general global economic conditions. Many of the Group's competitors have significantly greater capital resources than that which is available to us. The Group may need to raise additional capital, in debt or equity, in order to successfully grow and compete.

Trade Receivable

At 31 December 2003, the Group's trade receivable was US$14.07 million, of which 58.4% (US$8.21 million) was from PERTAMINA, the Indonesia national petroleum company, and 41.6% (US$5.86 million) from customers of Axiom. The receivable from PERTAMINA represents a trade receivable arising in the normal course of business and represents the crude oil sale receivable and costs not yet recovered out of PERTAMINA's share of incremental crude oil production. At 31 December 2003, 71.8% of the receivables were in the category of 0-30 days, 26.2% was in 30-60 days, and 2.0% was over 61 days.

Directors' Business Review

Employees

At 31 December 2003, the Group and its majority-owned subsidiaries had a total number of approximately 398 full-time employees in Indonesia, the United Kingdom and Hong Kong. We believe that our relationship with our employees is satisfactory. From time to time, we also use the services of independent consultants and contractors to perform various professional services. The Group anticipates that the number of our employees will not materially change in 2004.

In 2003, the daily oil production was 5,325 barrels

RECENT DEVELOPMENTS

The crude oil production of the Group is under a 15-year Enhanced Oil Recovery Contract ("EOR Contract) with PERTAMINA, the Indonesia national petroleum company. Each of the Group and PERTAMINA holds a 50% undivided participating interest in the EOR Contract, which is scheduled to be expired in July 2004. The Group and PERTAMINA have agreed to continue the cooperation between the two companies, and agreed that the new arrangement and new cooperation should be established before the expiration.

Market conditions are expected to be better in 2004

On 24 January 2003, Waywood Investment Limited, the controlling shareholder of Oxford Technologies Inc., a US corporation ("Oxford"), entered into a stock purchase agreement with Great Admirer Ltd. ("Great Admirer"), a wholly-owned subsidiary of the Company, pursuant to which Great Admirer acquired 85% of the Oxford's issued and outstanding capital shares. On 12 February 2003, Great Admirer entered into a share exchange agreement with Oxford. Under the terms and conditions of the Agreement, Oxford issued 13,564,002 shares of its common stock to Great Admirer in exchange for all issued and outstanding ordinary shares of Axiom Manufacturing Services Ltd. on a one-to-one basis. As a result, Axiom becomes Oxford's wholly owned subsidiary. Great Admirer currently owns approximately 95% of the Oxford's capital stock.

In February 2003, each of the Group's following newly established subsidiaries, Comp Property International Ltd., Comp Assets International Ltd., Comp Hotel International Ltd., and Comp International Ltd. entered into a stock purchase agreement with Waywood Investment Ltd., and two individual investors to acquire 85% of capital stock in each of the following six U.S. companies: Ridgefield Industries Corp., Easton Technologies Corp., Norton Industries Corp., Weston Technologies Corp., Cowley Technologies Corp., and Greenway Technologies Corp., respectively.

On 29 August 2003, Comp Media & Advertising Ltd., a subsidiary of the Company ("Comp Media"), entered into an acquisition agreement with Beijing Fortune World Advertising Ltd. ("Beijing Fortune") to acquire 49% of the equity interest in Beijing Fortune World Advertising Ltd. for HK$3 million. Concurrently Comp Media was granted an option to purchase another 50% of the equity interest in Beijing Fortune held by Hainan Sheng Sheng Advertising Ltd. for HK$300,000 when the "Closer Economic Partnership Arrangement" between PRC and Hong Kong will allow Hong Kong investors to operate wholly-owned advertising companies in PRC. As a condition precedent and consideration therefore, Comp Media entered into a Share Purchase Agreement with Hainan Sheng-Sheng Advertising Ltd. to acquire 15% of its equity interest for HK$7.7 million.

Directors' Business Review

SUBSEQUENT EVENTS

On 26 January 2004, the Company agreed to extend HK$40 million unsecured loan, at 5% of interest annually, to its 73%-owned US subsidiary, Weston Technologies Corp. ("Weston"). Weston owns all the pending patents of a new product: a flameless and non-tar cigarette substitute, which can be used as a quit smoking aid. The loan will be used as Weston's working capital to manufacture and market the new product.

LEGAL PROCEEDINGS

The Group is not a party to any material legal proceedings.

FOREIGN EXCHANGE EXPOSURES

The Company's two principal operating subsidiaries earn revenues and incur costs in US dollars and British pounds, respectively. The Company will monitor the risk of foreign exchange fluctuation on the Company's results of operations, financial condition and cash flows.

Lee Sin Pyung
Managing Director

Hong Kong, 20 April 2004