

## Chairman's Statement

For the financial year ended 31 March 2004, the Company and its subsidiaries (the "Group") recorded a net loss of approximately HK\$60.53 million. Loss per share was approximately HK\$0.88 cent. Further details of the Group's past financial performance are explained in the "Management Discussion and Analysis" section.

Economic conditions and market sentiment seem to be improving. However, there are factors, such as political and global security issues, that will affect the economic and the market sentiment improvement. The overall business environment will remain difficult if such improvement cannot persist. The Board of Directors has resolved not to recommend the payment of final dividend.

I would like to thank all members of the Board and the staff for their diligence, dedication and support in the past year.

**Chiu Kong**

*Chairman*

Hong Kong, 16 July 2004