

Executive Director's Statement

On behalf of the board of directors ("the Board"), I am pleased to present to the shareholders the annual report of eCyberChina Holdings Limited ("the Company") and its subsidiaries (collectively "the Group") for the year ended 30th June, 2003.

RESULTS

During the year under review, the Group's turnover was HK\$13.2 million, representing an increase of 91.9% as compared to the last year of HK\$6.9 million. Loss attributable to shareholders was HK\$42.0 million (2002: HK\$450.2 million), improvement of 971.9% was recorded.

The Directors do not recommend the payment of any dividend for the year ended 30th June, 2003 (2002: Nil).

BUSINESS REVIEW

During the year under review, the economic in the People's Republic of China and Hong Kong was in a slump after the outbreak of the Severe Acute Respiratory Syndrome ("SARS") and the overall performance of the Group was drastically dragged. More information can be found under the section of Management Discussion and Analysis.

PROSPECT

The signing the Mainland-Hong Kong Closer Economic Partnership Arrangement Agreement ("CEPA") by Hong Kong, free entry by the PRC citizen traveler to Hong Kong and the PRC assessment to the World Trade Organization flourish commercial markets in the PRC and Hong Kong. I am confident that the Group will improve its performance in the future by taking an advantage of comparatively high economic growth in the PRC despite the worldwide sluggish economic.

APPRECIATION

Finally, I would like to express my sincerest thanks and appreciation to all my colleagues and staff for their loyalty and full support to the Group during the year.

On behalf of the Board

Tsang Kar Tong

Executive Director

Hong Kong, 26th November, 2004