

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, 2004.

RESULTS

During the year under review, the Group's turnover was HK\$6.45 million, representing a decrease of 51.3% as compared to the last year of HK\$13.22 million. Loss attributable to shareholders was HK\$5.2 million (2003: HK\$42 million), improvement of 87.6% was recorded.

The Directors do not recommend the payment of any dividend for the year ended 30th June, 2004 (2003: Nil).

BUSINESS REVIEW

Post Severe Acute Respiratory Syndrome, Hong Kong economic and property markets have revived rapidly. The PRC tourists arrival have augmented substantially which helps lifting the territories prosperity. The Group's investment portfolio has benefited from the property revaluation. More information can be found under the section of Management Discussion and Analysis.

FUTURE PROSPECT

The accord entered between the PRC and Hong Kong SAR, Mainland-Hong Kong Closer Economic Partnership Arrangement Agreement eases the restriction of PRC travelers coming to Hong Kong in turn helping to prosper the commercial and property markets in Hong Kong. The interest rate hike remains as the overhang in the forthcoming year. The Group has prepared to keep the cost control in check to ease any difficulties in sight. The Board is 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

Ng Yan

Executive Director

Hong Kong, 7th February, 2005