

Chairman's Statement

For the financial year ended 2004, the Company and its subsidiaries (the "Group") recorded a net loss of approximately HK\$2.22 million. Further details of the Group's past performance are explained under the "Management Discussion and Analysis" section.

Economic conditions and market sentiment has improved during the past year. We are enthusiastic about the persistence of the economic improvement, and will continue to explore new investment opportunities for the Group. The Board of Directors does not recommend the payment of any final dividend for the year ended 31 December 2004.

I would like to take this opportunity to express my appreciation to all management and staff members for their contribution during the past year.

Chiu Kong

Chairman

Hong Kong, 27 April 2005