



CHAIRMAN'S STATEMENT

Dear Shareholders,

I express my sincere thanks for your ongoing support to the Company, which was spun off from EganaGoldpfeil for a separate listing on the Hong Kong Stock Exchange in July 1998.

During the past eight years, an increase of shareholder funds of 1.68 times and a 2.25 times of profit increment have been accumulated, being attributable to the commitment and the visionary strength of the team as well as the network established by EganaGoldpfeil, which are conducive to the further business development of the Company.

Compared to the shares liquidity and market capitalization of EganaGoldpfeil, the Company is relatively small. With a view to enhancing the shareholder value, the management has accepted the proposal from EganaGoldpfeil to privatize the Company, and offered it for the consideration of the independent shareholders. In addition to the shares liquidity and market capitalization benefits, it is believed that the privatization would enable a leaner structure, thereby enhancing the operating efficiency and management accountability for the benefit of the Company as well as for EganaGoldpfeil. The proposal offered the opportunity to exchange the shares of EganaGoldpfeil.

On 11th September 2006, the independent shareholders approved the privatisation proposal and subject to the sanction of the proposal by the court, the Company will become a wholly owned subsidiary of EganaGoldpfeil and the shares of the Company will be delisted from the Stock Exchange on 24th October 2006.

I look forward to your continuous support to our parent, EganaGoldpfeil, which will include the entire future profit and assets of the Company.

Let me thank you one more time for your loyalty to the Company, which is a treasure to us.

I also take this opportunity to express my gratitude and sincere appreciation to my fellow directors, and on behalf of the Board, all management and staff members for their hard work and contribution.

Yours
Hans-Jörg Seeberger

Hans-Jörg Seeberger
Chairman and Chief Executive
21st September, 2006