

On behalf of the Board of Directors, I would like to present the Annual Report for Massive Resources International Corporation Ltd (the "Group") for the year ended 30 June 2006.

PROFIT FOR THE YEAR

For the financial year ended 30 June 2006, the Group recorded a turnover of HK\$103,134,000 representing an increase of 33.92% from a year ago (2005: HK\$77,009,000). The Group's audited profit attributable to shareholders was HK\$7,147,000 (2005: loss of HK\$11,353,000). Earnings per share was HK0.06 cent (2005: loss of HK0.11 cent). The Board of Directors has resolved not to pay a dividend for the year.

BUSINESS REVIEW AND LOOKING AHEAD

While 2006 was a challenge year, we nonetheless remain vigilant. It was a year in which our pace of expansion accelerated and our asset value continued to grow. This solid growth was contributed by all of the Group's core businesses as they continued to improve upon operational efficiency and deliver a steady performance.

Hong Kong's popularity as cruise hub is evidenced by a mega project rolled out by the government to invite developers, to build and manage a new cruise terminal with 50-year franchise, are expected to complete by the year 2012. This will enhance Hong Kong to capture growth in cruise industry in the Asia-Pacific region, and to sustain its development as a regional cruise hub.

The Board of directors envisages that there are enormous business opportunities that Cruise industry fuelled into Hong Kong tourism together with steadfast support from the government in the coming few years. We hence decided to trickling more resources in this direction.

A great deal of effort and preparation was undertaken by both management and ship staff during renovation and refurbishment leading to the arrival of m.v. "Neptune" (the "Neptune") in Hong Kong. "Neptune" is a multi-million dollar investment by the Group in cruise ferry which sails from Hong Kong. She is a 10-deck cruise passenger ship furnished to the very high standard of luxury, rooms are designed for customers' comfort and style. It can accommodate 900 pax in maximum and is one of the most popular cruise ferries lying afloat in Victoria Harbour.

During the year under review, the profit contribution to the Group from Cruise revenue is more than 53% of Group's total profit and might continue rising by 9 to 10 percent next few years. Fusion with the reviving independent travelers under Individual Visit Scheme from Mainland China, this shall stimulate a revival in visitor numbers to Cruise industry and serve us well in the future.

On the hand, we learnt to adapt our new strategies, and to respond with cost-effective plans that successfully controlled our manufacturing cost of electrical equipment resulting in an increase of return on capital.

Our clear business strategy is evident from our determination to seize the growth opportunities benefit from China's robust economic growth and rapid development and our commitment to excellence, we are confident in our ability to meet all the challenges ahead and achieve further success.

ACKNOWLEDGEMENT

During the year, Mr. Chen Chak Man retired as Chairman and an Executive Director of the Company. During the course of his tenure, he has been an instrumental force in supporting the tremendous growth of the Group over the last few years. We would like to take this opportunity to express our gratitude for his dedication and contribution.

I am very grateful for the confidence that the board of directors have shown in me and given me the latitude to work for the continuous development of our Group and for the benefit of the Company as a whole.

Looking ahead to year 2007, the Group will make remarkable stride in securing prosperous investment opportunities for enhancing shareholders' value. We take this opportunity to extend our thanks to our customers, our bankers, our auditors, the staff members of the Group for their diligent, loyal service and contributions during the year. I look forward to have a better future in the years to come.

Lin Cheuk Fung

Chairman of the Board

Hong Kong, 24 October 2006