



CHAIRMAN'S  
STATEMENT &  
MANAGEMENT  
DISCUSSION AND ANALYSIS



## FOCUS ON RECOVERY AND PRUDENT GROWTH

Dear Shareholders,

As we moved down our path towards recovery over the past few years, Magician Industries (Holdings) Limited (the "Company") and its subsidiaries (the "Group") have had to face the overhang of two issues – debt restructure and the weak economy of our principal markets – the latter of which has caused a decline in both turnover and operating margin. Today, I am pleased to report that although the situation remains difficult, we have made significant progress in dealing with these two issues.



