

## PROSPECTS – PROGRESS THROUGH STABILITY

Confronting with the current global economic contraction, the Group is determined to make every endeavor to cope with this situation. The strategic approach is effective cost control. Moreover, the Group's value-added steel and metal manufacturing operations will remain stable and it will keep on participating in upcoming infrastructure projects to maintain the Group as a major construction material supplier in Hong Kong.

The Group believes that China's imminent accession to the World Trade Organization and the winning of the hosting country of 2008 Olympic Games open up new business opportunities for the Group. The construction material business in China will have enormous development potential. The Group will strive to capture this business potential by using the inherent professional knowledge and management experience in order to further improve its business in China.

In order to overcome the shortage of sales, the Group takes active approach to expand both product range and markets. The Group strives to grasp every business opportunity by all means. The Group endeavors to succeed from its inherent foundation. The path to success is to progress through maintaining stability amid the deteriorating economy.