

CHAIRMAN'S STATEMENT

BUSINESS REVIEW

During the year, the principal activity of the Group is the re-development of Bowen Hill Apartments situated at No. 10-12 Peak Road, Hong Kong. The re-development project is progressing according to schedule. The Group views the future of the new luxurious properties, when completed after re-development, with confidence, which will hopefully bring profit to the Group.

PLANS AND PROSPECT

The re-development project will be completed by mid 2002. Looking ahead, the Group will continue to look for suitable business investments.

DIVIDENDS

The Directors of the Company do not recommend the payment of a final dividend (2000: Nil).

MAJOR CUSTOMERS & SUPPLIERS

For the financial year ended 30 June 2001, the largest customer of the Group accounted for 100% of the Group's total turnover. There is no purchase during the year.

None of the directors, their associates or any shareholders (who to the knowledge of the directors own more than 5% of the Company's share capital) had any interest in the largest customer.

ACKNOWLEDGEMENT

On behalf of my fellow directors, I wish to thank all staff and employees for their diligence and loyal support during the year under review.

By order of the Board

Law Fong

ACTING CHAIRMAN

Hong Kong, 26 October 2001