

Chairman's Statement

On behalf of the Board of Directors, I hereby present the 2001 Annual Report to our shareholders.

1. Results and Dividends

For the year ended 31 December 2001, the Group recorded a net profit of HK\$1,379,000. Save for the interim dividend of HK1 cent per share distributed in the middle of the year, the Board does not recommend the payment of a final dividend in respect of the year. Accordingly, there will be no closure of the Register of Members of the Company.

2. Review and Prospects

Although local and macro economic condition is still vulnerable, the Group has strived to make a net profit of HK\$1,379,000 for the year. Apart from the provisions for revaluation deficits on/impairment of properties, the performance of the Group as a whole has improved as compared with last year. The Group recorded a profit and also an increase of contributions from its jointly controlled entities. No substantial provisions were made for any construction projects during the year.

Looking forward in the coming year, the Board is still optimistic about the PRC market and business. With the expectation that the price adjustment period on Hong Kong and PRC properties has finally ended as well as the gradual commencement of large scale construction projects, the Board is confident that the business performance of the Group will improve in the coming years.

Appreciation

On behalf of the Board, I would like to express my sincere thanks to our staff, customers and business partners for their continue support during the year.

Choi Wai Him

Chairman

Hong Kong, 30th April 2002