

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors (the "Board"), I would first like to thank our shareholders and staff for their support during the year.

For the year ended 31 March 2002, the Company and its subsidiaries (collectively the "Group") incurred a loss attributable to shareholders of HK\$30.4 million, an improvement of HK\$18.8 million versus a year ago. The improvement reflects Board's appropriate decision to dispose of the construction & related businesses, and effective management of operating expenses.

As Hong Kong property market showed no signs of recovery in the foreseeable future, the Company disposed of its entire interest in the construction & related businesses during the second half of the year, for a total cash consideration of HK\$50 million. From this disposal, the Company recorded a net gain of HK\$59.5 million, as the business had a negative net asset value on the books. Overall, the Board considered the disposal of this business is in the best interest of the Group, as it will now allow management to focus its resources on identifying new business opportunities to create long-term value for shareholders.

Responding to changing market conditions, the Group has been assisting a number of high technology companies in its portfolio in restructuring their businesses. In addition, the Board has been proactively seeking new business opportunities and evaluating strategic acquisitions, to prepare the Company for future growth.

In all, despite contraction in the technology market, the Board is still optimistic about the future of our business. We are currently focusing on new opportunities in communication, media and financial services industries, as well as technologies that are transforming them. Looking forward, we intend to capitalize on such opportunities and will seek to improve Group's profits and enhance shareholders value through our investments in this direction.

I would like to take this opportunity to express my gratitude to all of our customers, suppliers, subcontractors, and business associates for their continued support. Also, I wish to thank our staff for their loyalty and hard work.

Dr. Jeffrey Len-Song KOO

Chairman

Taipei, 27 June 2002