

Chairman's Statement

I am pleased to announce that Telecom Plus Holdings Limited and its subsidiaries (the "Group") recorded satisfactory results for the year ended 31 March 2002.

During the year, the Group has kept the momentum of growth as propelled by further management re-engineering, substantial organic growth from its development of core business, strengthening of its asset base, together with well-planned strategic mergers and acquisitions.

Upon completion of the recent acquisition of two IT companies, the Group will consolidate its IT business. The IT operating subsidiaries will undergo integration to benefit from the economies of scale, cross-selling, extended long-term customer relationship etc. and equip with the competence to deliver total solution to the PRC enterprises.

The Group also leverages its in-depth knowledge of the China market in its investments decision for an increase in profit and alliance value. With its deep and rich pool of talents and broad network in USA and PRC, it will continue to capture profitable business and investment opportunities with surging potential to increase the shareholders' value. In the foreseeable future, strategic investment in Shenzhen Western Corridor related project will be a key imperative for accelerated growth.

Zou Yishang
Chairman

26 July 2002