

## Chairman's Statement

During the year ended 31 December 2003, the Company and its subsidiaries (the "Group") recorded a net loss of approximately HK\$21.2 million (2002: net loss of HK\$5.4 million). Loss per share was HK\$0.72 (2002: loss per share of HK\$0.18). Further details of the Group's past performance are explained under the "Management Discussion and Analysis" section.

During the year of 2003, the Group has further diversified its investment portfolio. In light of the changes in the business environment and economic conditions, the Group will maintain an open attitude and may adjust its investment portfolio if it is considered appropriate.

The Board of Directors has resolved not to recommend any final dividend for the year ended 31 December 2003.

I would like to take this opportunity to express my appreciation to all members of the Board for their contribution during the past year.

**Liang Xudong, Robert**

*Chairman*

Hong Kong, 25 March 2004