

Chairman's Statement

主席報告

While we continued to face serve market conditions in our business in 2003, we were able to achieve a profitable result, and increase our shareholders' funds by HK\$27.4 million and were in the progress in developing new products for future growth.

In our view, 2003 was a year of challenging market conditions. Since we had adjusted our sales policy to accommodate changes in market conditions, our goals for sales and profit growths could not be achieved. Whilst sales of HK\$98.5 million grew 15 percent as compared to that in 2002, operating profit of HK\$27.4 million declined HK\$10.0 million primarily due to the lower profit contribution from sales, the listing expenses of HK\$4.5 million, and the income tax expenses of HK\$6.3 million.

On 27 October 2003, the Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") by way of introduction. We believed that the listing would be beneficial and complementary to the future growth and development of the Group.

We believe that market conditions in 2004 remain difficult. Demands of our products become difficult to forecast; low selling prices, increase in supply of chemical pesticides from the other export suppliers and global suppliers, and change of weather patterns will all directly affect our performance. However, we are prepared to build a solid foundation to take advantage of the recovery when it occurs.

We have a sense of urgency around the need to change in order to prosper. We recognise that our success will be determined by how well we focus on the things that matter most in our business. We believe that our customers are increasing their knowledge in pesticides and will demand better quality products. It is critical that we understand our customers and markets better than our competitors. We consider focusing on products development to be a continuing task if we want to achieve a better future growth. We have placed a high degree of urgency on succeeding in these areas.

On behalf of the Board, we would like to recognise, with gratitude, the support of all our valued employees, customers, as well as the interest shown in our Company by our shareholders. We remain committed to continuously improve our business and maximise the value of the Company for shareholders, customers and employees.

Lao Seng Peng
Chairman

15 April 2004

儘管於二零零三年，本集團業務持續面對艱困市況，卻無礙我們締造盈利業績，並提升股東資金27,400,000港元，且正在開發新產品以配合未來增長。

對本集團而言，二零零三年市況充滿挑戰。由於本集團因應市況轉變而調整銷售政策，故未能達到銷售及盈利方面之增長目標。銷售較二零零二年增長15%至98,500,000港元；經營盈利則減少10,000,000港元至27,400,000港元，主要歸因於源自銷售之盈利貢獻減少、上市費用4,500,000港元以及所得稅開支6,300,000港元。

於二零零三年十月二十七日，本公司股份以介紹形式於香港聯合交易所有限公司（「聯交所」）主板上市。我們相信股份上市對本集團之未來增長及發展裨益良多。

我們相信二零零四年之市況將仍然艱鉅。產品需求越來越難以預測、售價偏低、其他出口供應商及全球供應商之化學農藥供應增加，以及氣候變化等種種因素均對業務表現構成直接影響。然而，我們已奠定穩固基礎，作好準備，以便乘經濟復甦掌握箇中機遇。

我們深明突破求變的迫切需要，業務方能欣欣向榮，並了解到成功關鍵在於本集團能否集中處理業務重要攸關的事宜。我們相信，隨著客戶對農藥的認識日增，定必要求質素更高的產品。因此，我們必須在掌握客戶及市場需求方面領先其他競爭對手。我們亦視產品開發為持續任務，藉此為集團締造進一步增長。以上各項正是我們迫切實踐的重要項目。

本人謹代表董事會，向全體寶貴員工及客戶的鼎力支持，以及股東對本公司的關注致以衷心謝意。我們定當繼續改善業務表現，為股東、客戶及員工提升本公司價值。

主席
劉勝平

二零零四年四月十五日