

Business Outlook

With the proven successful business model demonstrated by other ICP operators like SINA, SOHU and NETEASE providing cross media platform for the sales of ring tone, wall paper, music and other infotainment products in China, the Group will revise its business strategy and put more resources on the sale and marketing of mobile contents and value added services via the internet protocol and serviced through the Group's valuable renren.com platform. The re-launch of renren.com with existing infrastructures will maximize the Group's exposure and see immediate result on the proven ground. The trend of the future cyber world will focus on cross media-platform for the sales of products and services. The Group will tap on this trend by capitalising its pools of resources to maximise its return.

The recent policy promulgated by the State Administration of Radio, Film and Television of the PRC has provided a golden opportunity to pay TV operators who possess the digital broadcasting technology. The Group has allied with other broadcasting technology company to provide near-DVD-quality broad band TV service ("BBTV") to the Hong Kong community via internet protocol. The service will be carried through the existing internet infrastructures provided by the ISP on multicast basis. If this multicast BBTV service works in Hong Kong, the Group will strive to penetrate into the band Wagon of the 100 millions cable TV subscribers market in China forthwith.

With the recovery of Hong Kong economy, the business of the Group such as property services, financing and securities trading will also provide reasonable revenue and profit to the bottom line of the Group for the year 2004.