

## Chairman's Statement



**Mr. Wong Yin Sen,**  
*Chairman*

On behalf of the board of directors (the "Director(s)") of Golden Dragon Group (Holdings) Limited (the "Company") (the "Board"), I am pleased to present this Annual Report for the year ended 31 December 2004 of the Company and its subsidiaries (the "Group").

### **RESULTS FOR THE YEAR 2004**

For the year ended 31 December 2004, the audited consolidated profit of the Group amounted to HK\$8,302,000, representing a marginal increase of 1.0% over HK\$8,216,000 in the year 2003.

Turnover for the year 2004 was HK\$173,089,000, representing an increase of 10.8% over HK\$156,263,000 in the year 2003.

Earnings per share for the year 2004 amounted to HK1.42 cents representing an increase of 0.7% over HK1.41 cents in the year 2003.

### **PROSPECTS FOR THE YEAR 2005**

As the health care product market is recovering, new products are launched at a faster pace. The Group plans to launch more newly-developed products into the market in 2005. Besides the promotion in the medium and small-sized cities, town and rural areas, the Company plans to make use of direct distribution for our health care products in some selected regions, and will extend the mode to all over the country if it proves successful. It is estimated that the sales income of direct distribution will make up approximately 30% of the market shares in five years.



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## RESEARCH AND DEVELOPMENT

In addition to allocating more resources to the specialized pharmaceutical markets and exploring opportunities for development, the Group will emphasize on the development of pharmaceuticals and health care related products. As such, the Group plans to invest in the research and development of pharmaceuticals and health care products in 2005 so as to enrich its product mix, and seeks for more business opportunities in order to expand its sources of revenue.

## DIVIDENDS

No interim dividend was declared for the year. The Board does not recommend the payment of any final dividend for the year ended 31 December 2004 (2003: nil).

## ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express my sincere gratitude to our customers, suppliers and shareholders. Furthermore, my deep appreciation and thankfulness goes to all members of our staff, in particular to my fellow directors and the management, who have devoted their efforts on the Group's development during the year.

The Group will continue to consolidate and enhance its competitiveness, endeavor to move forward and to grasp further business opportunities for better returns to the shareholders. I am confident that with the Group's efforts made in the past, its unique background and strengths, and broad product's recognition will bring greater returns for our investors.

On behalf of the Board

**Wong Yin Sen**

*Chairman*

Hong Kong, 26 April 2005