

In August 2005, I was invited to join the Board and elected to act as the Non-Executive Chairman which I accepted with great honour as well as deep sense of responsibility. Since the second half of last year, there was diversity of business development and direction within the Management which adversely affected the Group's routine operation. My priority in the Board was hence in mitigating diverse views among directors in business direction with a view to converging a common goal for corporate development. I am now pleased to see that the Group's day-to-day operation has resumed relatively stable, and the Board has reached consensus in the Group's business development. A business review of the Group for the last year is detailed in the Report of Directors and Management Discussion and Analysis. Looking ahead, I will use my best endeavour to assist the Group to strengthen its management structure and consolidate its existing businesses, whilst also exploring new investment opportunities. I hope this will serve to benefit both the Group and shareholders.

Lam Kuo

Chairman

5 July 2006