



CHAIRMAN'S STATEMENT

On 12 April 2007, Winland Wealth (BVI) Limited acquired 964,548,303 shares of the Company and became its controlling shareholder. On the same date, the Company completed a group reorganisation, with the result that the Company remains as a listed company and carries on the principal business of hotel investment and operation.

There was a change in the composition of the Board with six new directors being appointed onto the Board on 19 April 2007. The current management will regularly conduct review of the Company's financial position and business activities in order to formulate its business and strategic development plans and continue to explore further suitable investment opportunities for the Company, with an aim to expand its source of income and enhance its financial position.

On behalf of the Board, I would like to take this opportunity to extend our sincere appreciation to our shareholders, professional advisers, bankers and customers for their continuous support and trust. I would also like to thank the management and staff for their dedication and commitment.

Lun Chi Yim
Chairman

Hong Kong, 20 July 2007