

## **INTERIM DIVIDEND**

The Directors do not recommend the payment of an interim dividend for the six months ended 30th September, 2001 (2000: Nil).

## **COMMENTARY ON INTERIM RESULTS**

### **Review of Interim Results**

During the period, the Group's turnover was HK\$82,993,944 (2000: HK\$94,688,210). Operating profit before finance costs and share of profits of associates amounted to HK\$10,761,223 (2000: HK\$32,277,440). Profit attributable to Shareholders for the first half of the year amounted to HK\$7,345,910 (2000: HK\$23,435,782).

### **Liquidity and Financial Resources**

At 30th September, 2001, the Group's bank borrowings had dropped from HK\$107.18 million of the last year end date to HK\$106.99 million in which the short term borrowings amounted to HK\$80.76 million and long term borrowings amounted to HK\$26.23 million. The Group's current year debt/equity ratio was 28% expressed as a percentage of the Group's total bank borrowings over the Shareholders' funds of HK\$388.76 million. The Group's bank borrowings are mainly denominated in Hong Kong dollars and United States dollars.

To minimize exposure on foreign exchange fluctuations, the Group's borrowings are primarily denominated in Hong Kong dollars and United States dollars. The Group has no significant exposure to foreign exchange rate fluctuations.

### **Capital Structure**

At 30th September, 2001, the Group's Shareholders' funds amounted to HK\$388.76 million (31st March, 2001: HK\$389.74 million). The Group's consolidated net assets per share as at 30th September, 2001 was HK\$2.95.

### **Employees**

The Group had 791 employees as at 30th September, 2001. Employees are remunerated according to nature of the job and market trend. Total staff costs for the six months ended 30th September, 2001 amounted to HK\$16.17 million.