

### Liquidity and Financial Information

As at 31 December, 2001, the total assets of the Group amounted to HK\$1,891 million. The shareholders' fund and minority interests totally amounted to HK\$1,441 million.

The Group's working capital in Year 2001 mainly came from operating and financing activities, net cash inflow from operating activities amounted to HK\$164 million. At 31 December, 2001, the bank balance and deposit of the Group amounted to HK\$254 million. The Group had no long-term bank loan.

### Exchange Risk

The sales and purchases of the Group is mainly denominated in US dollars. Bank borrowings interests are charged on a floating rate basis. Hence, the Group has no significant exposure to foreign exchange fluctuations.

### Gearing Ratio

As at December 31, 2001, the gearing ratio of the Group was 38.6 per cent. (2000: 40 per cent.). which was computed by dividing the total amount of liabilities and minority interests, by the total assets of the Group at December 31, 2001.

### Contingent Liabilities, Pledged Assets and Significant Investment

As at December 31, 2001, the Group did not have any material contingent liabilities and pledged asset. During the year, the Group did not have significant investment.

### Capital Expenditure

During the year, the Group spent approximately HK\$66 million on construction in progress for the purpose of constructing jetty situated in China. The Group also acquired other assets at an aggregate cost of approximately HK\$27 million for business expansion. At 31 December, 2001, the capital commitment was about HK\$16 million(2000: HK\$21 million).

### Employees and Emolument Policies

As at December 31, 2001, the Group had a total of 1,191 employees. Compared with that of the previous year, the number of employees increased by 119, which were mainly attributed to the increased workload arising from an increase in petrol stations.

The Group's emolument policies are formulated on the performance of individual employee and on the basis of the salary trend in various regions. Subject to the profit of the Group and the performance of the employees, the Group may also provide discretionary bonus to its employees as an incentive for their contribution.