



LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2002, the Group's bank balances and cash amounted to HK\$587,692,000 with no borrowings. During the period under review, the Group invested approximately HK\$11,000,000 in capital expenditures. Subsequent to 30 June 2002, the Group invested approximately HK\$21,132,000 for a 70% equity interest in a newly established sino-foreign joint venture to be engaging in the production and sales of skin care products in the PRC.