

Interim Report

2002年中期報告



RAYMOND Industrial Ltd
利民實業有限公司

410 Kwun Tong Road

MANAGEMENT STATEMENT

The Directors are pleased to present their management statement and the unaudited condensed consolidated financial statements for the six months ended 30th June 2002.

Business Highlights

The turnover of the Group was HK\$188 million in the first six months of 2002, representing an increase of 55% compared with turnover at the same time last year. The Company net profit was HK\$ 6.1 million, reflecting an increase of 31% compared with same time last year. The increase in turnover and net profit can be attributed mainly to increased sales of new small appliance products, and financial contribution from Cheung Fung to the Group after its restructure was completed.

Rental Activities at 410 Kwun Tong Road commenced in April 2002. Because of the rent free period offered to our new tenants, money received during the first half of 2002 was mainly deposit. We expect rental income to make contribution to the profit of the Group in the second half of 2002.

Interim Dividend

The Board of Directors has declared an interim dividend of 2 cents per share in respect of the six months period ended 30th June 2002 (2001: interim dividend 2 cents per share):–

	Six months ended 30th June 2002 HK\$'000	Six months ended 30th June 2001 HK\$'000
Interim dividend proposed	<u>6,286</u>	<u>6,286</u>

The amount of proposed interim dividend is calculated on the basis of 314,300,804 shares in issue as at 30th June of the respective years.

This dividend will be payable on 23rd October 2002, to shareholders whose names appear on the register of members at the close of business on 4th October 2002.

The transfer books and register of members will be closed from 7th October 2002 to 11th October 2002, both days inclusive, during which time no transfer of shares will be registered by the Company.

Prospects for Second Half of 2002

The Company successfully launched five new products during the months of June to August 2002. Sales generated from these five new products will make a significant contribution to the Company's turnover and profit. Consequently, we are confident that the profit from small appliance sales for 2002 will be higher than that of 2001.

We continue to develop new innovative patented products in small appliance. We expect these new products will make even greater impact in sales and profit in 2003.

During the first half of 2002, the Group has allocated more internal resources to rental activities at 410 Kwun Tong Road. We are pleased to announce that we have leased out most of the retail space in the building and we are making satisfactory progress in leasing out the office space.

Financial Position

The liquidity position of the Company was satisfactory. The current ratio was 0.84 as of 30th June 2002. The deterioration of the current ratio was due to increased short term borrowings by Cheung Fung.

Bank balances and cash were HK\$54.7 million as of 30th June 2002, representing an increase of HK\$17.5 million over that of the same period of the previous year. The change was mainly due to the addition of HK\$27.9 million from Cheung Fung, and the reduction of HK\$10.4 million cash used for repaying a portion of the short term loan related to construction of 410 Kwun Tong Road.

Total bank borrowings amounted to HK\$318 million of short term loan and HK\$88 million of long term loan as of 30th June 2002. The increase in bank borrowings results from a combination of a decrease of HK\$31.2 million in loan repayment for 410 Kwun Tong Road construction and an increase of HK\$359 million in bank borrowings from Cheung Fung's operations. There are no other material borrowings as of the balance sheet date.

Directors' and Chief Executive's Interest in Shares

As at 30th June 2002, the interests of the directors and the chief executives of the Company in the equity securities of the Company and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) as recorded in the register required to be kept pursuant to Section 29 of the SDI Ordinance or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to Section 28 of the SDI Ordinance and the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") were as follows:

Name of director	Number of shares held			
	Personal interests	Family interests	Corporate interests	Other interests
Mr. Wilson Wong Kin Lae	333,000	–	25,111,610 (a)	77,881,760 (b)
Mr. John Wong Ying Man	1,121,440	–	–	–
Mr. Philip Wong Kin Hang	16,941,360	821,000	28,029,653 (c)	1,306,000 (d)
Mr. Kennedy Wong Ying Ho	–	–	11,815,820 (e)	–
Mr. Raymond Wong Man Hin	974,964	–	–	–

(a) These shares were held through Broadbridge Enterprise Limited, a company beneficially owned by Mr. Wilson Wong Kin Lae.

(b) These shares were held through a Trust, the beneficiaries of which include the children of Mr. Wilson Wong Kin Lae.

- (c) *These shares were held through Ho Kit Man Inc., a company beneficially owned by Mr. Philip Wong Kin Hang.*
- (d) *These shares were held through Philip K.H. Wong Foundation.*
- (e) *These shares were held through Limin Corporation, a company beneficially owned by Mr. Kennedy Wong Ying Ho.*

Save as disclosed above and other than nominee shares in certain subsidiaries held in trust for the Group, none of the directors, chief executives or their associates had any interests in the securities of the Company or any other associated corporations as defined in the SDI Ordinance as at 30th June 2002.

Substantial Shareholders

Other than the interests disclosed above in respect of certain directors, the register of substantial shareholders maintained by the Company under Section 16(1) of SDI Ordinance shows that the Company was notified of the following interest representing 10% or more of the issued share capital of the Company as at 30th June 2002 :

Name of shareholder	Number of Shares held	% of issued share capital
Silver Talent Development Limited	61,080,800	19

Code of Best Practice

In the opinion of the directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 to the Listing Rules of The Stock Exchange of Hong Kong Limited throughout the period, except that the independent non-executive directors of the Company are not appointed for specific terms. Independent non-executive directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's articles of associations.

Purchase, sale or redemption of own shares

During the six months ended 30th June 2002, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

Audit Committee

The Audit Committee of the Company has reviewed with the management the accounting practices and principles adopted by the Company and discussed auditing, internal control and financial reporting matters including the review of the interim report.

By Order of the Board
Wilson Wong Kin Lae
Chairman

Hong Kong, 18th September 2002

CONDENSED CONSOLIDATED INCOME STATEMENT*For the six months ended 30th June 2002*

		2002 (unaudited) HK\$'000	2001 (unaudited) HK\$'000
	<i>Notes</i>		
Turnover	4	188,134	121,455
Cost of sales		(141,311)	(96,745)
Gross profit		46,823	24,710
Interest income		198	1,533
Selling expenses		(6,274)	(5,454)
General and administrative expenses		(24,892)	(18,430)
Amortisation of Cheung Fung Goodwill		(512)	(500)
Profit from operations		15,343	1,859
Finance costs		(7,252)	(1,053)
Profit before tax and share of results of associates		8,091	806
Share of results of associates		2,193	4,871
Profit before tax	5	10,284	5,677
Taxation	6	(2,832)	(1,009)
Net profit from ordinary activities before minority interests		7,452	4,668
Minority interests		(1,338)	–
Net profit attributable to shareholders for the period		6,114	4,668
Dividend:			
Interim dividend declared after the balance sheet date	7	6,286	6,286
Earnings per share	8	1.9 cents	1.5 cents

CONDENSED CONSOLIDATED BALANCE SHEET*As at 30th June 2002*

		30th June 2002 (unaudited) HK'\$000	31st December 2001 (audited) HK'\$000
Fixed assets			
Property, plant and equipment		480,182	143,494
Properties under construction		–	149,459
Investment properties	9	330,000	–
		810,182	292,953
Land use rights		39,978	–
Interests in jointly controlled entities	10	39,154	–
Interests in associates	11	1,297	83,893
Goodwill	12	9,887	9,316
Current assets			
Inventories		144,836	57,092
Debtors	13	132,949	45,517
Bills receivable		1,604	–
Deposits, prepayments and other receivables		27,031	4,635
Amount due from related companies		6,254	733
Cash and bank equivalents		54,737	50,276
		367,411	158,253
Current liabilities			
Bank loans	14	(318,041)	(78,000)
Creditors	15	(46,329)	(23,160)
Bills payable		(10,178)	–
Accrued charges		(71,517)	(35,605)
Taxes payable		(8,011)	(4,529)
Dividends payable		(343)	(259)
Amount due to related companies		(11,961)	–
		(466,380)	(141,553)
Net current (liabilities)/assets		(98,969)	16,700
Total assets less current liabilities		801,529	402,862
Non-current liabilities			
Bank loans	14	(87,545)	–
Deferred taxation		(1,275)	(1,275)
		712,709	401,587
Financed by:			
Share capital	16	157,150	157,150
Reserves	17	390,590	245,968
Shareholders' equity		547,740	403,118
Minority interests		164,969	(1,531)
		712,709	401,587

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th June 2002

2002
(Unaudited)

	Share capital	Share premium account	Investment properties revaluation reserve	Cumulative translation adjustments	Capital reserve	Retained profit	General reserve	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Beginning of the period	157,150	62,669	-	(6,444)	3,080	179,210	7,453	403,118
Exchange differences arising from translation of financial statements of subsidiaries denominated in foreign currencies	-	-	-	(1,403)	-	-	-	(1,403)
Surplus on revaluation of investment properties	-	-	158,769	-	-	-	-	158,769
Appropriation to general reserve	-	-	-	-	-	(1,704)	1,704	-
Profit attributable to shareholders	-	-	-	-	-	6,114	-	6,114
Dividends	-	-	-	-	-	(18,858)	-	(18,858)
End of the period	<u>157,150</u>	<u>62,669</u>	<u>158,769</u>	<u>(7,847)</u>	<u>3,080</u>	<u>164,762</u>	<u>9,157</u>	<u>547,740</u>

2001
(Unaudited)

	Share capital	Share premium account	Investment properties revaluation reserve	Cumulative translation adjustments	Capital reserve	Retained profit	General reserve	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Beginning of the period	157,150	62,669	-	(7,550)	3,194	138,324	5,704	359,491
Reinstatement of goodwill previously eliminated directly against retained profits resulting from the Cheung Fung Reorganisation	-	-	-	-	-	10,000	-	10,000
Appropriation to general reserve	-	-	-	-	-	(1,932)	1,932	-
Profit attributable to shareholders	-	-	-	-	-	4,668	-	4,668
Dividends	-	-	-	-	-	(18,858)	-	(18,858)
End of the period	<u>157,150</u>	<u>62,669</u>	<u>-</u>	<u>(7,550)</u>	<u>3,194</u>	<u>132,202</u>	<u>7,636</u>	<u>355,301</u>

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30th June 2002

	2002 (unaudited) HK\$'000	2001 (unaudited) HK\$'000
Net cash inflow from operating activities	75,127	20,382
Returns on investments and servicing of finance		
Interest received	198	1,533
Interest paid	(7,287)	(1,053)
Dividends paid	(18,774)	(18,720)
Net cash outflow from returns on investments and servicing of finance	(25,863)	(18,240)
Taxation		
Hong Kong profits tax paid	(49)	(538)
Overseas tax paid	(2,909)	(1,295)
Total tax paid	(2,958)	(1,833)
Investing activities		
Purchase of fixed assets	(8,324)	(32,393)
Interests in jointly controlled entities	(23,449)	–
Acquisition of subsidiary	39,767	–
Net cash inflow/(outflow) from investing activities	7,994	(32,393)
Net cash inflow/(outflow) before financing	54,300	(32,084)
Financing		
Additions of short-term bank loans	–	23,400
Repayment of short-term bank loans	(32,315)	(28,284)
Repayment of long-term bank loans	(16,463)	–
Net cash outflow from financing	(48,778)	(4,884)
Increase/(decrease) in cash and cash equivalents	5,522	(36,968)
Cash and cash equivalents, beginning of period	50,276	74,888
Effect of changes in exchange rate	(1,061)	(630)
Cash and cash equivalents, end of period	54,737	37,290

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30th June 2002

1. BASIS OF PRESENTATION

The condensed financial statements have been prepared under the historical cost convention.

The condensed financial statements have been prepared in accordance with the requirements of The Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (The "Stock Exchange"), including compliance with Statement of Standard Accounting Practice ("SSAP") 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants.

2. PRINCIPLE ACCOUNTING POLICIES

The accounting policies adopted are consistent with those used in the preparation of the Group's most recent published audited annual financial statements for the year ended 31st December 2001, except as described below.

In the current period, the Group has adopted, for the first time, the following SSAPs issued by the Hong Kong Society of Accounts.

SSAP 1 (revised)	Presentation of Financial Statements
SSAP 13	Accounting for Investment Properties
SSAP 21	Accounting for Interests in Joint Ventures
SSAP 29	Intangible Assets

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential. Such properties are not depreciated and are stated at their estimated open market values determined by the directors. Changes in the value of investment properties are dealt with as movements in the investment properties revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the income statement.

Upon the disposal of an investment property, the relevant portion of the revaluation reserve realised in respect of previous valuations is released from the investment property revaluation reserve to the income statement.

Jointly controlled entities

A joint venture is a contractual arrangement where the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity.

Interests in jointly controlled entities are accounted for using the equity method in the consolidated financial statements, whereby the interest is initially recorded at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits and losses of the jointly controlled entities, distributions received from the jointly controlled entities and other necessary alternations in the Group's proportionate interest in the jointly controlled entities arising from changes in the equity of the jointly controlled entities that have not been included in the income statement and less any accumulated impairment losses. The Group's share of post-acquisition results of jointly controlled entities is included in the consolidated income statement.

Land use rights

Land use rights represent the amount paid for the right to use the land situated in the People's Republic of China (the "PRC") which is amortised over the land use right period of 50 years.

3. SEGMENT INFORMATION

(a) Geographical segments

	Turnover Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Turnover Six months ended 30th June 2001 (unaudited) <i>HK\$'000</i>	Segment Result Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Segment Result Six months ended 30th June 2001 (unaudited) <i>HK\$'000</i>
United States of America	98,274	67,598	17,095	10,008
Canada	3,513	2,387	611	353
PRC	36,363	3,275	9,272	485
Europe	26,131	27,882	4,546	4,128
Australia	8,330	8,313	1,449	1,231
Others	15,523	12,000	2,700	1,777
	<u>188,134</u>	<u>121,455</u>	<u>35,673</u>	<u>17,982</u>
Interest income			198	1,533
Unallocated corporate expenses			(27,268)	(18,209)
Amortisation of Cheung Fung Goodwill			(512)	(500)
Share of profit of associates			2,193	4,871
Profit before tax			<u>10,284</u>	<u>5,677</u>

(b) Business segments

	Turnover Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Turnover Six months ended 30th June 2001 (unaudited) <i>HK\$'000</i>	Segment Result Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Segment Result Six months ended 30th June 2001 (unaudited) <i>HK\$'000</i>
Electrical home appliances	153,871	121,455	26,766	17,982
Cigarette papers	34,263	–	8,907	–
	<u>188,134</u>	<u>121,455</u>	<u>35,673</u>	<u>17,982</u>
Interest income			198	1,533
Unallocated corporate expenses			(27,268)	(18,209)
Amortisation of Cheung Fung Goodwill			(512)	(500)
Share of profit of associates			2,193	4,871
Profit before tax			<u>10,284</u>	<u>5,677</u>

4. TURNOVER

	Turnover Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Turnover Six months ended 30th June 2001 (unaudited) <i>HK\$'000</i>
Electrical home appliances	153,871	121,455
Cigarette papers	34,263	–
	188,134	121,455

5. PROFIT BEFORE TAX

During the period, depreciation of HK\$9,438,293 (2001: HK\$6,494,877) was charged to the income statement in respect of the Group's property, plant and equipment. Amortisation of HK\$512,000 (2001: HK\$500,000) was charged to the income statement in respect of the Group's goodwill. Amortisation of HK\$204,769 (2001: NIL) was charged to the income statement in respect of the Group's land use rights.

6. TAXATION

	Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Six months ended 30th June 2001 (unaudited) <i>HK\$'000</i>
Hong Kong profits tax		
– under provision in prior years	1,440	–
– current year	630	589
Overseas taxation – current year	566	–
	2,636	589
Share of overseas taxation attributable to an associate	196	420
	2,832	1,009

Hong Kong profits tax was provided at the rate of 16% (2001: 16%) on the estimated assessable profits arising in or derived from Hong Kong. Overseas taxation has been calculated on the estimated assessable profit for the year at the rates prevailing in the respective jurisdictions.

7. DIVIDENDS

	Six months ended 30th June 2002 (unaudited) HK\$'000	Six months ended 30th June 2001 (unaudited) HK\$'000
Dividend paid		
2001 final dividend of 6 cents (2000 - 6 cents) per share approved and paid in 2002	<u>18,858</u>	<u>18,858</u>
Dividend declared		
Interim dividend declared after the balance sheet date of 2 cents (2001 - 2 cents) per share	<u>6,286</u>	<u>6,286</u>

8. EARNINGS PER SHARE

Earnings per share is calculated based on the consolidated net profit attributable to shareholders of HK\$6,114,000 (2001: consolidated profit of HK\$4,668,000) and the 314,300,804 shares (2001: 314,300,804 shares) in issue throughout the respective periods.

The diluted earnings per share is not shown as there are no potential dilutive shares.

9. INVESTMENT PROPERTIES

	Six months ended 30th June 2002 (unaudited) HK\$'000	Year ended 31st December 2001 (audited) HK\$'000
Beginning of the period	-	-
Additions	171,231	-
Surplus on revaluation	<u>158,769</u>	-
End of the period	<u>330,000</u>	<u>-</u>

The investment properties are situated in Hong Kong and are held on medium-term leases.

10. INTERESTS IN JOINTLY CONTROLLED ENTITIES

	Six months ended 30th June 2002 (unaudited) HK\$'000	Year ended 31st December 2001 (audited) HK\$'000
Sichuan Jinfeng Innovation Industry Limited (I)	22,785	–
Sichuan Jinfeng Spike Paper Products Company Limited (II)	<u>16,369</u>	<u>–</u>
	<u>39,154</u>	<u>–</u>

(I) A joint venture company, Sichuan Jinfeng Innovation Industry Limited, incorporated in PRC and 18.61% owned by the Group. The principle activities of the company are manufacturing and sale of cigarette paper.

(II) A joint venture company, Sichuan Jinfeng Spike Paper Products Company Limited, incorporated in PRC and 29.09% owned by the Group. The principle activities of the company are manufacturing and sale of cigarette paper.

11. INTERESTS IN ASSOCIATES

	Six months ended 30th June 2002 (unaudited)				Year ended 31st December 2001 (audited)			
	Shenzhen Breville Far East Limited HK\$'000	Liyuan Electric Company Limited HK\$'000	Cheung Fung Technology (Holdings) Limited HK\$'000	Total HK\$'000	Shenzhen Breville Far East Limited HK\$'000	Liyuan Electric Company Limited HK\$'000	Cheung Fung Technology (Holdings) Limited HK\$'000	Total HK\$'000
Balance sheet								
Share of net assets	–	1,297	–	1,297	–	1,297	79,025	80,322
Amount due from an associate	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>3,571</u>	<u>3,571</u>
	<u>–</u>	<u>1,297</u>	<u>–</u>	<u>1,297</u>	<u>–</u>	<u>1,297</u>	<u>82,596</u>	<u>83,893</u>
Profit and loss								
Share of profit/(loss) before taxation	–	–	2,193	2,193	(3)	8	(1,807)	(1,802)
Share of taxation	<u>–</u>	<u>–</u>	<u>(196)</u>	<u>(196)</u>	<u>–</u>	<u>(1)</u>	<u>(809)</u>	<u>(810)</u>
Share of net profit/(loss)	<u>–</u>	<u>–</u>	<u>1,997</u>	<u>1,997</u>	<u>(3)</u>	<u>7</u>	<u>(2,616)</u>	<u>(2,612)</u>

12. GOODWILL

	Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Year ended 31st December 2001 (audited) <i>HK\$'000</i>
Beginning of the period	9,316	–
Additions	1,083	10,351
Amortisation	(512)	(1,035)
	<hr/>	<hr/>
End of the period	9,887	9,316
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13. DEBTORS

	Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Year ended 31st December 2001 (audited) <i>HK\$'000</i>
An aging analysis of the debtors is as follows:		
Within 3 months	72,875	29,739
Between 3 to 6 months	22,907	15,741
Between 6 to 12 months	19,585	35
Over 12 months	17,582	2
	<hr/>	<hr/>
	132,949	45,517
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14. BANK LOANS

	Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Year ended 31st December 2001 (audited) <i>HK\$'000</i>
Repayable within a period		
– not exceeding one year	318,041	78,000
– more than one year	87,545	–
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	405,586	78,000
<i>Less:</i> Amount repayable within one year under current liabilities	(318,041)	(78,000)
	<hr/>	<hr/>
	87,545	–
	<hr/> <hr/>	<hr/> <hr/>

15. CREDITORS

	Six months ended 30th June 2002 (unaudited) HK\$'000	Year ended 31st December 2001 (audited) HK\$'000
An aging analysis of the creditors is as follows:		
Within 3 months	40,807	22,169
Between 3 to 6 months	4,949	421
Between 6 to 12 months	321	50
Over 12 months	252	520
	<u>46,329</u>	<u>23,160</u>

16. SHARE CAPITAL

	Six months ended 30th June 2002 (unaudited) HK\$'000	Year ended 31st December 2001 (audited) HK\$'000
Authorised:		
500,000,000 (2001 : 500,000,000) ordinary shares of HK\$0.50 each	<u>250,000</u>	<u>250,000</u>
Issued and fully paid:		
314,300,804 (2001 : 314,300,804) ordinary shares of HK\$0.50 each	<u>157,150</u>	<u>157,150</u>

17. RESERVES

	Six months ended 30th June 2002 (unaudited)						Year ended 31st December 2001 (audited)	
	Investment			Capital	Retained	General	Total	Total
	Share premium account HK\$'000	properties revaluation reserve HK\$'000	Cumulative translation adjustments HK\$'000	reserve HK\$'000	profit HK\$'000	reserve HK\$'000	HK\$'000	HK\$'000
Beginning of the period	62,669	-	(6,444)	3,080	179,210	7,453	245,968	221,198
Reinstatement of goodwill previously eliminated directly against retained profits resulting from the Cheung Fung Reorganisation	-	-	-	-	-	-	-	10,351
Realisation of reserves attributable to a dissolved subsidiary, Guangzhou Fairplay Moulds Development Co. Ltd.	-	-	-	-	-	-	-	(69)
Exchange differences arising from translation of financial statements of subsidiaries denominated in foreign currencies	-	-	(1,403)	-	-	-	(1,403)	917
Surplus on revaluation of investment properties	-	158,769	-	-	-	-	158,769	-
Appropriation to general reserve	-	-	-	-	(1,704)	1,704	-	-
Profit attributable to shareholders	-	-	-	-	6,114	-	6,114	38,715
Dividends	-	-	-	-	(18,858)	-	(18,858)	(25,144)
End of the period	<u>62,669</u>	<u>158,769</u>	<u>(7,847)</u>	<u>3,080</u>	<u>164,762</u>	<u>9,157</u>	<u>390,590</u>	<u>245,968</u>

18. REORGANISATION

Cheung Fung Technology (Holdings) Limited was an associate of the Group until 25th March 2002. On 25th March 2002, Cheung Fung Technology (Holdings) Limited underwent a reorganisation and it became a subsidiary of the Group.

19. COMMITMENTS

Capital commitment not provided for in the financial statements is as follows:

	Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Year ended 31st December 2001 (audited) <i>HK\$'000</i>
Commitment for construction costs		
– Authorised and contracted for	724	22,024
– Authorised but not contracted for	723	–
	<u>1,447</u>	<u>22,024</u>

The Group has no operating commitments as at 30th June 2002 (2001: Nil).

20. BANKING FACILITIES

	Six months ended 30th June 2002 (unaudited) <i>HK\$'000</i>	Year ended 31st December 2001 (audited) <i>HK\$'000</i>
Banking facilities for trade financings, loans and overdrafts as at end of the period	<u>216,123</u>	<u>100,300</u>
Unused facilities as at end of the period	<u>56,180</u>	<u>21,523</u>