

# CHAIRMAN'S STATEMENT

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## MANAGEMENT DISCUSSION AND ANALYSIS

The principal activities of the Group are the trading of textiles and re-development of Bowen Hill Apartments. The re-development project is still under progress. The Company is still looking for new investment opportunities.

## PROSPECT

The re-development of Bowen Hill Apartments will be completed within one year. The returns from the re-development will improve the Company financial structure.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June, 2002, net current liabilities of the Group was approximately HK\$151 million (2001: HK\$153 million). The current ratio was 0.84 (2001: 0.83). The cash and bank balance on hand was HK\$755,000 (2001: HK\$154,000).

## EMPLOYEES AND REMUNERATION POLICIES

As at 30 June, 2002, the Group employed a total of 14 employees. They were remunerated according to market conditions.

## DIVIDENDS

The Directors of the Company do not recommend the payment of a final dividend (2001: Nil).

## MAJOR CUSTOMERS & SUPPLIERS

For the financial year ended 30 June 2002, the largest customer of the Group accounted for 100% of the Group's total turnover. The largest supplier and the five largest suppliers, of the Group accounted for approximately 68% and 91% of the Group's total purchases respectively.

None of the directors, their associates or any shareholders (who to the knowledge of the directors own more than 5% of the Company's share capital) had any interest in the largest customer.

## ACKNOWLEDGEMENT

On behalf of my fellow directors, I wish to thank all staff and employees for their diligence and loyal support during the year under review.

By order of the Board

**Law Fong**

*ACTING CHAIRMAN*

Hong Kong, 30 October 2002