

## **Liquidity and financial condition**

At 30th September 2002, the total borrowings of the Group, including obligations under finance leases, amounted to HK\$99,100,000 (31/3/2002: HK\$101,500,000) which were payable in Hong Kong dollars and RMB. The Group's gearing ratio at 30th September 2002, which was calculated as the ratio of all bank borrowings and long term liabilities to shareholders' funds, was 46% (31/3/2002: 51%).

Of the Group's total borrowings, approximately HK\$75,900,000 (76.6%) would be due within one year, approximately HK\$16,400,000 (16.5%) would be due in more than one year but not exceeding two years, approximately HK\$6,100,000 (6.2%) would be due in more than two years but not exceeding five years and the remaining balance of approximately HK\$700,000 (0.7%) would be due in more than five years.

At 30th September 2002, the total banking facilities granted to the Group amounted to HK\$113,100,000 (31/3/2002: HK\$90,500,000) of which HK\$50,600,000 (31/3/2002: HK\$49,900,000) were utilised. These facilities are secured by:

- (a) corporate guarantee issued by the Company;
- (b) cross corporate guarantees issued by certain companies within the Group;
- (c) a legal charge on the leasehold land and buildings with a net book value of HK\$32,000,000 (31/3/2002: HK\$33,000,000) and prepayment of HK\$5,600,000 (31/3/2002: HK\$5,600,000) for a purchase of a leasehold land and building of which the development is in progress.

## **Purchase, sale or redemption of shares**

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.