

DISCLOSURE PURSUANT TO RULE 13.20 OF THE LISTING RULES

As at 30th September, 2004, the total assets of the Company (the "Total Assets") were approximately HK\$244,800,000.

As at 30th September, 2004 there were 3,934,190,071 shares of the Company in issue. Based on the average closing price of the Company's shares of HK\$0.0268 as stated in the Stock Exchange's daily quotation sheets for the five trading dates from 22nd to 28th September, 2004 (both dates inclusive), being the five business days immediately preceding 30th September, 2004, the total market capitalisation of the Company was approximately HK\$105.4 million (the "Total Market Capitalisation").

The trade receivables (the "Receivables") due to Climax Paper Converters, Limited, a subsidiary of the Company, from UR1 International ("UR1"), one of the customers of the Group, amounted to approximately HK\$20.6 million as at 30th September, 2004. The Receivables represented more than 8% of each of the Total Assets and the Total Market Capitalisation as at 30th September, 2004.

The Receivables were unsecured and interest free, with credit terms of 60 days from the invoice date and arose from the sale by the Group to UR1 of products manufactured by the Group in the ordinary course of business. UR1 is not a connected person of the Company (as defined in the Listing Rules) and is independent of and not connected with the Company or any of its connected persons (as defined in the Listing Rules).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.