

FINANCIAL REVIEW

All the Group's funding and treasury activities are centrally managed and controlled at the corporate level.

As at 30 June 2005, the Group had current assets of HK\$30,010,000 (31 December 2004: HK\$57,802,000) and current liabilities of HK\$47,371,000 (31 December 2004: HK\$47,432,000), a current ratio of 0.63 (31 December 2004: 1.22) and cash and bank balances of HK\$8,575,000 (31 December 2004: HK\$6,488,000).

The Group has no outstanding bank loans during the Period.

As most of the cash reserves were placed in HK dollar short-term deposits with major banks in Hong Kong, exposure to exchange fluctuation is minimal.

PROSPECTS

The Board believes that both the turnover and profit of SWIL will achieve improvements in the forthcoming years and is optimistic in the development and prospects of SWIL's business both in HK and mainland China.

As a whole, the Group will actively identify opportunities to invest in the property, mainly in Mainland China, and technology-related business so as to bring in significant improved returns and contribute enhanced value to our shareholders.

SHARE OPTION SCHEME

Under the terms of the share option scheme of the Company approved by the shareholders on 29 December 2004 (the "Scheme"), the Directors of the Company may, at their discretion, offer any eligible participants (including any Directors) of the Company or of any of its subsidiary companies options to subscribe for shares in the Company subject to the terms and conditions stipulated in the Scheme.

During the Period, no option has been granted under the Scheme and there was no outstanding share option as at 30 June 2005.

Apart from the foregoing, at no time during the Period was the Company or any of its subsidiary companies a party to any arrangements to enable the Directors of the Company or their associates to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.