

**GROUP ASSETS POSITION AND CHARGE ON GROUP ASSETS**

The total assets of the Group has decreased from HK\$4,506,292,000 as at 31st December, 2000 to HK\$2,678,279,000 as a result of Jing Yuan becoming an associated company upon completion of the reorganisation. The net assets of the Group has increased from HK\$2,150,758,000 as at 31st December, 2000 to HK\$2,155,448,000 as at 30th June, 2001 due to the operating profit in the current period. As at 30th June, 2001, the amount of the Group's bank loans pledged with property assets was HK\$240,888,000 (2000: HK\$1,011,149,000).