

FINANCING

On 12th June, 2001, the Company issued 170 million new shares at HK\$0.27 each, to raise a net proceeds of about HK\$45 million. The net proceeds have been used for general working capital purposes.

As at 30th September, 2001, the Group's bank balances, cash and other investments amounted to HK\$282.1 million. About 78.3% of the Group's bank balances, cash and other investments were in Hong Kong dollar or United States dollar, 4.1% in Euro dollar with the balance 17.6% in Renminbi. Bank and other borrowings of the Group as at the same date amounted to HK\$256.0 million. All of the Group's bank and other borrowings were in Hong Kong dollar. About 2.3% of the Group's bank and other borrowings were repayable within one year, 9.8% repayable in the second to fifth years and the balance of 87.9% repayable over five years.

As the Group has surplus cash and other investments over its total borrowings, the Group does not have any net borrowings.