

LIQUIDITY AND CAPITAL RESOURCES

As at 30 September 2004, shareholders' funds of the Group amounted to approximately HK\$169.7 million. Current assets amounted to approximately HK\$175.0 million, of which approximately HK\$135.5 million were cash and bank deposits. The Group's current liabilities amounted to approximately HK\$5.8 million.

The Group principally finances its operations by the funding provided by previous share capital subscription & placement, proceeds from the disposals of some subsidiaries in prior year, and internally generated cashflows. There was no outstanding bank overdrafts or bank borrowings as at the Period end date.

As at 30 September 2004, the Group had no significant foreign currency exposure.