Notes

1 Principal accounting policies and basis of preparation

The unaudited interim results of the Group have been prepared in compliance with Statement of Standard Accounting Practice ("SSAP") No.25 "Interim financial reporting", and on a basis consistent with the accounting policies adopted in the annual accounts for the year ended 31st March, 2000.

Certain comparative figures have been reclassified to conform with the current period's presentation as required under Hong Kong Statement of Standard Accounting Practice No.1.

2 Segmental information

An analysis of the Group's turnover and contribution to profit/(loss) from operations by principal activity for the six months ended 30th September, 2000 is as follows:

		Contribution to profit/			
	Turnover		(loss) from operation		
	30/9/2000	30/9/1999	30/9/2000	30/9/1999	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Continued operations:					
Investment holding			433	(10,627)	
Property investment	12,035	9,904	19,818	(24,643)	
	12,035	9,904	20,251	(35,270)	
Discontinued operations:					
Department store and					
supermarket operations	12,380	34,947	(2,316)	(6,707)	
Restaurants and entertainment					
businesses	12,156	14,446	(3,271)	(10,698)	
	24,536	49,393	(5,587)	(17,405)	

3 Other revenue

		30/9/2000 HK\$'000	30/9/1999 <i>HK\$</i> '000
	Deferred income	1,214	12,399
	Interest income	<u>15,870</u>	2,197
4	Profit/(loss) from operations		
		30/9/2000	30/9/1999
		HK\$'000	HK\$'000
	The Group's profit/(loss) from operations is arrived at after charging:		
	Depreciation:		
	Owned fixed assets	610	10,065
	Leased fixed assets	163	_
	Operating leases rentals in respect		
	of land and buildings	<u>2,126</u>	14,831
5	Taxation		
		30/9/2000	30/9/1999
		HK\$'000	HK\$'000
	The Company and subsidiaries:		
	Overseas	1,991	1,204

No provision for Hong Kong profits tax has been made for the period as the Group did not generate any assessable profits arising in Hong Kong during the period.

Taxes on profits assessable overseas have been calculated at the rates of tax prevailing in the respective jurisdictions in which they operate, based on existing legislation, interpretations and practices in respect thereof.

At the balance sheet date, the Group had no material unprovided deferred tax liabilities.

6 Interim dividend

The Directors do not recommend interim dividend for the period (1999: Nil).

7 Loss per share

(a) Basic loss per share

Basic loss per share is calculated based on (i) the net loss from ordinary activities attributable to shareholders of HK\$54,030,000 (1999: HK\$124,785,000); and (ii) the weighted average number of 5,391,919,437 (1999: 1,783,194,323) ordinary shares in issue during the period.

(b) Diluted loss per share

There is no diluted loss per share presented for the period ended 30th September, 2000 as the effect of the Company's outstanding share options was anti-dilutive.

8 Trade debtor and trade creditor

The Group has no trade debtor and trade creditor as at 30th September, 2000.

9 Share Capital

	Number of shares	HK\$'000
Authorised:		
Shares of HK\$0.01 each at		
30th September, 2000	20,000,000,000	200,000
Issued and fully paid:		
Balance as at 1st April, 2000	5,957,128,747	59,571
Exercise of options	240,000,000	2,400
Placement of new shares	3,923,000,000	39,230
Balance as at 30th September, 2000	10,120,128,747	101,201

10 Reserve Movement

	Share Premium HK\$'000	Capital Redemption reserve HK\$'000	Contributed surplus HK\$'000	Goodwill reserve HK\$'000	Asset revaluation reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profit/ (accumulated loss) HK\$'000	Total HK\$'000
Balance at 1st April, 2000	1,217,973	1,038	123,294	(97,708)	(1,724)	(1,161)	(1,119,015)	122,697
Premium on issue share upon exercise of	2 400							2.400
share options	2,400	_	_	_	_	_	_	2,400
Premium on share placed	78,353	_	_	_	_	-	_	78,353
Share issue expenses	(2,564)	-	_	_	_	_	_	(2,564)
Share of exchange fluctuation reserve of associates	_	_	_	_	_	(1,342)	_	(1,342)
Release on disposal of subsidiaries	_	_	_	53,844	1,724	(3,369)	_	52,199
Loss for the period							(54,030)	(54,030)
Balance at 30th September,								
2000	1,296,162	1,038	123,294	(43,864)		(5,872)	(1,173,045)	197,713
Company and subsidiaries Associates	1,296,162	1,038	123,294	(43,864)		738 (6,610)	(1,179,697) 6,652	197,671 42
Balance at								
30th September, 2000	1,296,162	1,038	123,294	(43,864)		(5,872)	(1,173,045)	197,713

11 Contingent liabilities

The Group had no contingent liability as at 30th September, 2000.

12 Commitments

The Group had commitments payable in the following year under non-cancelable operating leases expiring in 2 to 5 years in respect of rented properties amounting to approximately HK\$2,270,000 (1999: HK\$4,207,000 in respet of leases expiring in 2 to 5 years).

13 Related party transactions

From 1/4/2000 to 30/6/2000 *HK*\$'000

Interest income from an associate

5,030

14 Disclosure requirements of PN 19

The financial assistance given to an associate, Speed World Investment Limited, in which the Group holds 30% equity interest, represented 87% of the consolidated net tangible assets of the Group as at 30th September, 2000.

The proforma balance sheet of and the Company's attributable interest in the associate as at 30th June, 2000 (being the latest practicable date for this report) disclosed in accordance with paragraph 3.10 of PN19 of the Listing Rules is as follows:

	Balance at 30/6/2000 HK\$'000	The Company's attributable interest <i>HK\$</i> '000
NON-CURRENT ASSET		
Interest in subsidiary companies	866,170	259,851
CURRENT ASSETS		
Debtors and other receivable	1	
Cash and bank balances	3	1
	4	1
CURRENT LIABILITIES		
Trade payable, other payable and		
accrued liabilities	5	2
Amount due to holding company	648,658	194,597
Amount due to shareholders	292,748	87,824
	941,411	282,423
NET CURRENT LIABILITIES	(941,407)	(282,422)
	(75,237)	(22,571)

15 Liquidity and finance resources

As at 30th September 2000, the Group had total assets of HK\$645 million which were financed by current liabilities of HK\$75 million, long term liabilities of HK\$271 million and shareholder's equity of HK\$299 million. Accordingly, the Group's ratio of debt to total assets was 53.6%.

During the period, the Group had made use of the capital markets to meet its funding needs. A summary of placement of new shares from 1st April, 2000 to date of this report and their usage are set out below: -

Date of allotment	Number of new shares placed	Placing price per share (HK\$)	Net Proceeds (HK\$)
3rd May, 2000	910,000,000	0.050	44,600,000
8th June, 2000	1,373,000,000	0.031	41,700,000
26th September, 2000	1,640,000,000	0.018	28,782,000
27th November, 2000	2,000,000,000	0.015	29,228,000
	5,923,000,000		144,310,000

The net proceeds were used for general working capital requirements, reducing bank indebtedness and investing in new projects as mentioned in the "Business Review" section above. In addition, on 7th November, 2000, 4,319,986,000 new shares at HK\$0.01 each was issued to acquire 22% shareholding interest in PiLink International Limited ("PiLink") for an aggregate consideration of HK\$75,599,755. Details about the operation and business of PiLink are set out in the "Prospects" section.

16 The unaudited interim accounts for the six months ended 30th September ,2000 have been reviewed by the audit committee of the Company.

17 Disposal of subsidiaries

In July 2000, the Group disposed of the subsidiaries which carried out restaurants and entertainment businesses and property investment businesses. The result of the discontinued operations for the interim reporting period was as follows:

	31/7/2000 HK\$'000
Revenue	41,220
Operating costs	(12,501)
Selling expense	(2,021)
Other operating costs	(12,306)
Finance costs	(23,422)
Taxation	(1,178)
Loss from discontinued operations	(10,208)

A net loss of HK\$37,804,000 was incurred on the disposal of subsidiaries.

18 Director's interest in shares

As at 30th September, 2000, the interests of the Directors in the securities of the Company and its associated corporations (within the meaning of the Securities (Disclosure of Interests) Ordinance ("the SDI Ordinance")) recorded in the register kept by the Company pursuant to section 29 of the SDI Ordinance were as follows:

	Number of Shares			
Name of Director	Personal interests	Corporate interests	Total	
Mr. Wong Chun Hung, Vincer	nt 189,246,000	454,121,880 (1)	643,367,880	
Madam Wong Fong Yee, Elisa	80,092,000	454,121,880 (1)	534,213,880	
Mr. Chu Wai Man, Raymond	5,000,000	_	5,000,000	

Note:

(1) 454,121,880 shares were beneficially held by Vinlisa Trust (a discretionary trust of which Mr. Wong Chun Hung, Vincent's family members including Madam Wong Fong Yee, Elisa are beneficiaries) through St. Denis Limited.

19 Director's right to acquire shares

As at 30th September, 2000, the following Directors had interests that are required to be recorded in the register kept by the Company pursuant to Section 29 of the SDI Ordinance being share options under the Share Option Scheme to subscribe for Shares:

				Number of
			Price per share to	options
		Period during which	be paid on exercise	granted and not
Name of Director	Date granted	option is exercisable	of share option	yet exercised
			HK\$	
M W O II W	27 /11/1000	1/10/1000 20/11/2000	0.177	12 000 000
Mr. Wong Chun Hung, Vincent	27/11/1998	1/12/1998 - 30/11/2008	0.177	12,000,000
Madam Wong Fong Yee, Elisa	27/11/1998	1/12/1998 - 30/11/2008	0.177	22,000,000
Mr. Chu Wai Man, Raymond	18/5/2000	18/5/2000 - 17/5/2010	0.036	120,000,000

Saved as disclosed herein, as at the close of business on 30th September, 2000, none of the Directors has for the purposes of section 28 of the SDI Ordinance, nor are they taken to or deemded to have under section 31of, or Part I of the Schedule to, the SDI Ordinance, any interests in the equity or debt securities of the Company or any associated corporations within the meaning of the SDI Ordinance or any interests which are required to be entered into the register kept by the Company pursuant to section 29 of the SDI Ordinance or any interests which are required to be notified to the Company and the Stcok Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of the Listed Companies.

20 Substantial shareholders

As at 30th September, 2000, the register of substantial shareholders maintained under Section 16 (1) of the SDI Ordinance showed that the Company had not been notified of any substantial shareholders' interests, being 10% or more of the Company's issued share capital.

21 Purchase, sale or redemption of the Company's listed securities

During the six months period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

22 Post balance sheet event

Subsequent to the interim reporting date, the Group acquired 22% of a private company ("PiLink") at a consideration of approximately HK\$76 million satisified by the issue and allotment of 4,319,986,000 new shares of the Company. Details of the acquisition are set out in the Group's circular dated 19th October, 2000.

23 Code of Best Practice

In the opinion of the Directors, the Company has complied with the Code of Best Practice as set out in Appendix 14 of Rules Governing the listing of securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the financial year, except that the independent non-executive Directors are not appointed for a specific term as they are subject to retirement by rotation and re-election in accordance with the Company's Bye-laws. In compliance with the requirements of paragraph 14 of the Code of Best Practice as referred to above, an audit committee has been formed in December 1999 to review and supervise the financial reporting process and internal control of the Company.

By Order of the Board

Wong Chun Hung, Vincent

Chairman

Hong Kong, 28th December, 2000