

NOTES TO
FINANCIAL STATEMENTS (CONT'D)

31 December 2000

8. TAXATION

	Group	
	2000 <i>HK\$'000</i>	1999 <i>HK\$'000</i>
Provision for the year:		
People's Republic of China:		
Hong Kong	4,297	4,562
Elsewhere	3,944	8,790
	<u>8,241</u>	<u>13,352</u>
Prior year's overprovision	(470)	(577)
Taxation charge for the year	<u>7,771</u>	<u>12,775</u>

Hong Kong profits tax has been provided at the rate of 16% (1999: 16%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere in the People's Republic of China have been calculated at the applicable rates of taxation prevailing in the areas in which the Group operates based on existing legislation, interpretations and practices in respect thereof.

9. NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS

The net profit from ordinary activities attributable to shareholders dealt with in the financial statements of the Company is HK\$158,018,000 (1999: net profit of HK\$25,431,000).

The Group's share of losses accumulated by the associates for the year amounted to HK\$22,226,000 (1999: HK\$1,612,000).

10. DIVIDENDS

	Group and Company	
	2000 <i>HK\$'000</i>	1999 <i>HK\$'000</i>
Interim dividend of HK0.25 cents (1999: HK0.30 cents as adjusted for the bonus issue of shares in 2000) per ordinary share	5,262	6,000
Underprovision of prior year's final dividend	121	—
Proposed final dividend of HK0.30 cents (1999: HK0.25 cents as adjusted for the bonus issue of shares in 2000) per ordinary share	<u>7,577</u>	<u>6,016</u>
	<u>12,960</u>	<u>12,016</u>

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FINANCIAL STATEMENTS (CONT'D)

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11. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share is based on the net loss from ordinary activities attributable to shareholders for the year of HK\$28,820,000 (1999: net profit of HK\$20,032,000) and the weighted average of 2,490,759,498 (1999: 2,400,000,000 as adjusted for the bonus issue of shares in 2000) shares in issue during the year.

The earnings per share for the year ended 31 December 1999 has been adjusted to take into account the effect of bonus issue of shares during the year ended 31 December 2000.

Diluted earnings/(loss) per share for the years ended 31 December 1999 and 2000 have not been shown as the warrants outstanding during these years had an anti-dilutive effect on the basic earnings/(loss) per share for these years.

12. INTERESTS IN SUBSIDIARIES

	Company	
	2000 HK\$'000	1999 HK\$'000
Unlisted shares, at cost	656,622	656,622
Due from subsidiaries	260,950	61,271
Due to subsidiaries	(1,200)	—
	916,372	717,893

The amounts due from/(to) subsidiaries are unsecured and interest-free.

Details of the principal subsidiaries are as follows:

Name	Place of incorporation/ registration and operations	Nominal value of issued share capital/ registered capital	Percentage of equity interest attributable to the Company	Principal activities
Call Rich Investments Limited	British Virgin Islands	US\$50,000	45%*	Investment holding
Charter Million Investment Limited	Hong Kong/ People's Republic of China	HK\$2	60%	Property investment
Corncentre Investments Limited	British Virgin Islands	US\$50,000	37%*	Investment holding
Dependable Assets Limited	British Virgin Islands	US\$1	57.5%	Investment holding
Enterprise Assets Limited	British Virgin Islands	US\$1	57.5%	Investment holding
Fexlink Limited	Hong Kong	HK\$100	57.5%	Property investment

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12. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued share capital/ registered capital	Percentage of equity interest attributable to the Company	Principal activities
Forever Richland Limited	British Virgin Islands	US\$50,000	75%	Investment holding
Fortune Text Holdings Limited	Hong Kong/ People's Republic of China	HK\$2	60%	Property investment
Freemarket International Limited	British Virgin Islands	US\$1	100%	Investment holding
Godfrey Investments Limited	British Virgin Islands	US\$1	100%	Investment holding
Good Connection Investments Limited	British Virgin Islands/ People's Republic of China	US\$50,000	37%*	Property investment
Grandfield Nominees Limited	Hong Kong	HK\$1,000,000	100%	Property investment
Happy Profit Limited	British Virgin Islands	US\$2	100%	Investment holding
Hardfield Investments Limited	British Virgin Islands	US\$1	100%	Investment holding
Head Wonder International Limited	British Virgin Islands	US\$10,000	60%	Investment holding
Kiuson Development Limited	Hong Kong	HK\$100	37%*	Investment holding
Kiuson Development (Shanghai) Ltd.	People's Republic of China	US\$10,000,000	37%*	Property investment
Lau & Partners Consultants Limited	Hong Kong/ People's Republic of China	HK\$10,000	100%	Property investment

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12. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued share capital/ registered capital	Percentage of equity interest attributable to the Company	Principal activities
Limitless Investment Limited	British Virgin Islands	US\$2	100%	Investment holding
Lucky Business International Limited	British Virgin Islands	US\$2	100%	Investment holding
Lucky River Limited	British Virgin Islands	US\$1	100%	Investment holding
Lucky Win International Limited	British Virgin Islands	US\$2	100%	Investment holding
Maxlord Limited	Hong Kong	HK\$10,000	100%	Property investment
Money State International Limited	British Virgin Islands/ People's Republic of China	US\$1	100%	Provision of consultancy services
Multifield Contracting Limited	Hong Kong	HK\$10,000	100%	Provision of engineering and contracting services
Multifield (Holdings) Limited	Hong Kong	HK\$1,000,000	100%	Investment holding, provision of management services and agency services
Multifield Hotel Serviced Apartment Management (Shanghai) Ltd.	People's Republic of China	US\$200,000	75%	Provision of property management and administration services

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FINANCIAL STATEMENTS (CONT'D)

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12. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued share capital/ registered capital	Percentage of equity interest attributable to the Company	Principal activities
Multifield International Hotel Management Limited	Hong Kong	HK\$10,000	100%	Provision of property management and administration services
Multifield Investment (HK) Limited	British Virgin Islands	US\$1	100%	Investment holding
Multifield Investment (PRC) Limited	British Virgin Islands	US\$1	100%	Investment holding
Multifield Management Services Limited	British Virgin Islands	US\$2	100%	Investment holding
Multifield Property Agency Limited	Hong Kong	HK\$2	100%	Provision of property agency services
Multifield Properties Holdings Limited	British Virgin Islands	US\$1	100%	Investment holding
Multifield Properties Limited	Hong Kong	HK\$9,000	100%	Investment holding
Multifield Property Management Limited	Hong Kong	HK\$2	100%	Provision of property management services
Multifield International Holdings (B.V.I.) Limited	British Virgin Islands	US\$40	100%	Investment holding
Net Increase Assets Limited	British Virgin Islands	US\$1	57.5%	Investment holding
Nichiyu Consultants Limited	British Virgin Islands/ People's Republic of China	US\$2	100%	Provision of consultancy services

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FINANCIAL STATEMENTS (CONT'D)

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12. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued share capital/ registered capital	Percentage of equity interest attributable to the Company	Principal activities
Quick Profits Limited	British Virgin Islands	US\$2	100%	Investment holding
Quick Returns Group Limited	British Virgin Islands	US\$1	100%	Investment holding
Quickway Assets Limited	British Virgin Islands	US\$1	57.5%	Investment holding
Rapid Profits Group Limited	British Virgin Islands	US\$10	57.5%	Investment holding
Richwell Properties Limited	Hong Kong	Ordinary HK\$110,000 Non-voting deferred HK\$10,000 [†]	57.5%	Property investment
Silver Nominees Limited	Hong Kong	HK\$2	100%	Property investment
Sino Yield Investments Limited	British Virgin Islands	US\$3	66.7%	Investment holding
Skilful Investments Limited	British Virgin Islands/ People's Republic of China	US\$50,000	37%*	Property letting
Super Wish Assets Limited	British Virgin Islands	US\$1	57.5%	Investment holding
Tellink Development Limited	Hong Kong/ People's Republic of China	HK\$100	100%	Property investment
Triple Luck Investments Limited	British Virgin Islands	US\$50,000	57.5%	Investment holding
Verywell Properties Limited	British Virgin Islands/ Hong Kong	US\$1	100%	Property investment

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12. INTERESTS IN SUBSIDIARIES (continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued share capital/ registered capital	Percentage of equity interest attributable to the Company	Principal activities
Win Channel Enterprises Limited	Hong Kong	HK\$2	66.7%	Property investment
Windsor Properties (Shanghai) Co., Ltd.	People's Republic of China	US\$5,000,000	100%	Property investment
Windsor Property Management (Shanghai) Co., Ltd.	People's Republic of China	US\$200,000	100%	Provision of property management services
Winner Strong Limited	Hong Kong	HK\$100	57.5%	Property investment
Wise Chance Limited	Hong Kong	HK\$100	57.5%	Pub operations
Wise Success Limited	Hong Kong	HK\$100	57.5%	Property investment
Wonder Profits Limited	British Virgin Islands	US\$1	60%	Investment holding

Except for Multifield International Holdings (B.V.I.) Limited, all subsidiaries are indirectly held by the Company.

* These companies are subsidiaries of non-wholly-owned subsidiaries of the Company and, accordingly, are accounted for as subsidiaries by virtue of the Company's control over the entities.

The deferred shares carry no rights to dividends, no rights to vote at general meetings, no rights to participate in the profits or assets and no rights to receive any surplus on a return of capital on a winding-up (other than the amount paid up on such shares, provided that the holders of the ordinary shares of that company have been distributed in the winding-up a sum of HK\$100,000,000,000 in aggregate).

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.