

Notes to Financial Statements (Cont'd)

3. Turnover

An analysis of the Group's turnover is as follows:

	<u>Group</u>	
	2000	1999
	HK\$'000	HK\$'000
<u>Continuing operations</u>		
Revenue from sales of listed investments	386,151	288,000
Dividends from listed investments	10,713	12,645
Dividends from unlisted investments	3,109	225
Interest income	12,585	5,415
Rental income	3,025	2,897
	<u>415,583</u>	<u>309,182</u>

4. Operating loss before finance costs

	<u>Group</u>	
	2000	1999
	HK\$'000	HK\$'000
Operating loss before finance costs is stated after crediting:		
Gross rental income from investment properties	3,025	2,897
Outgoings	(120)	(68)
	<u>2,905</u>	<u>2,829</u>
and after charging:		
Auditors' remuneration	839	827
Directors' emoluments –		
fees	150	150
salaries and other emoluments	4,262	4,210
contributions to retirement scheme	179	162
Staff costs	2,785	2,691
Depreciation	56	60
Rental of properties under operating leases	468	412
Provision for unsold properties	–	12,736
Unrealised loss (gain) of listed investments		
held for trading purpose	1,403	(2,773)
Loss on disposals of long-term unlisted		
investments	874	1,099
Deposit for share option written off	–	8,067

Notes to Financial Statements (Cont'd)

5. Finance costs

	<u>Group</u>	
	2000	1999
	HK\$'000	HK\$'000
Interest on bank loans and overdrafts	10,330	924
Loan facility arrangement fees	2,431	–
	<u>12,761</u>	<u>924</u>

6. Net gain on disposals of long-term listed investments

	<u>Group</u>	
	2000	1999
	HK\$'000	HK\$'000
Profit on disposals of listed investments	77,030	25,450
Amount transferred from long-term investment revaluation reserve	(2,535)	28,706
Amount transferred from capital reserve	64,797	–
	<u>139,292</u>	<u>54,156</u>

7. Taxation

	<u>Group</u>	
	2000	1999
	HK\$'000	HK\$'000
Hong Kong profits tax provision – company and subsidiaries	–	–
share of associates' taxation	25	24
	<u>25</u>	<u>24</u>

No Hong Kong profits tax has been provided for the Company and its subsidiaries for the 2000/01 year of assessment (1999/2000 : no provision) as no assessable profit was earned during the year.

No provision for deferred taxation has been made as no liability would be likely to arise as a result of the reversal of timing differences in the foreseeable future and revaluation surpluses arising from the revaluation of the Group's investment properties do not constitute a timing difference for tax purpose.

8. Loss attributable to shareholders

The loss attributable to shareholders includes an amount of HK\$105,513,000 (1999: HK\$77,276,000) which has been dealt with in the financial statements of the Company.

Notes to Financial Statements (Cont'd)

9. Dividends

	<u>Group</u>	
	2000 HK\$'000	1999 HK\$'000
Interim dividend paid – 1.0 cent per share (1999: 1.5 cents)	3,423	5,183
Final dividend proposed – 1.0 cent per share (1999: 1.0 cent)	3,418	3,443
	<u>6,841</u>	<u>8,626</u>

10. Loss per share

The calculation of loss per share is based on loss attributable to shareholders of HK\$105,652,000 (1999: HK\$80,408,000) and weighted average of 343,102,900 (1999: 345,747,978) shares of HK\$1 each in issue during the year.

11. Fixed assets

<u>Group</u>	Property in Hong Kong – long lease	Investment properties in Hong Kong – long lease	Equipment and motor vehicles	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost or valuation				
At professional valuation	3,500	38,000	–	41,500
At cost	114	–	1,518	1,632
At 31.12.1999	<u>3,614</u>	<u>38,000</u>	<u>1,518</u>	<u>43,132</u>
Additions	–	–	9	9
Disposals	–	–	(53)	(53)
Revaluation surplus	–	1,000	–	1,000
At 31.12.2000	<u>3,614</u>	<u>39,000</u>	<u>1,474</u>	<u>44,088</u>
Accumulated depreciation				
At 31.12.1999	–	–	1,315	1,315
Provision	–	–	56	56
Write-back	–	–	(53)	(53)
At 31.12.2000	<u>–</u>	<u>–</u>	<u>1,318</u>	<u>1,318</u>
Net book amount				
At 31.12.2000	<u>3,614</u>	<u>39,000</u>	<u>156</u>	<u>42,770</u>
At 31.12.1999	<u>3,614</u>	<u>38,000</u>	<u>203</u>	<u>41,817</u>

Notes to Financial Statements (Cont'd)

11. Fixed assets (Cont'd)

Company

	Property in Hong Kong – long lease
	HK\$'000
Cost or valuation	
At professional valuation	3,500
At cost	114
At 31.12.2000 and 31.12.1999	<u>3,614</u>

No depreciation was provided on the property in Hong Kong in view of the insignificant amount involved.

Cost or valuation of properties at 31 December 2000 was made up as follows:

	Property in Hong Kong – long lease	Investment properties in Hong Kong – long lease	Total
	HK\$'000	HK\$'000	HK\$'000
<u>Group</u>			
At cost	114	–	114
At 1993 professional valuation	3,500	–	3,500
At 2000 professional valuation	–	39,000	39,000
	<u>3,614</u>	<u>39,000</u>	<u>42,614</u>
<u>Company</u>			
At cost	114	–	114
At 1993 professional valuation	3,500	–	3,500
	<u>3,614</u>	<u>–</u>	<u>3,614</u>

The property in Hong Kong was revalued as at 31 December 1993, on an open market value basis, by Messrs. Knight Frank, independent professional valuers.

The investment properties in Hong Kong were revalued as at 31 December 2000, on an open market value basis, by DTZ Debenham Tie Leung Limited, independent professional valuers.