

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31ST MARCH, 2001

1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited.

The principal activities of the Company are property investment and investment holding. The principal activities of the Company's subsidiaries and jointly controlled entity are property investment, property management and development, provision of management services, and investment holding.

2. ACCOUNTING POLICIES

The condensed financial statements have been prepared under the historical cost convention as modified for the revaluation of investment properties and investments in securities.

The condensed financial statements have been prepared in accordance with Statement of Standard Accounting Practice ("SSAP") No. 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants, except that comparative figures are not presented for the cash flow statement, being the first cash flow statement to be included in the interim financial report relating to accounting period ended on or after 1st July, 2000. Such departure from SSAP 25 is permitted under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Prior to 1st October, 1999, the Group's investments were classified either as long-term (carried at cost less provision for permanent diminution in value) or short-term (carried at the lower of cost and market value). Under SSAP 24 "Accounting for investments in securities", investments in securities are classified as investment securities (carried at cost less impairment) and trading securities (carried at fair value, with valuation movements dealt with in the income statement). The adoption of SSAP 24 has resulted in an increase in profit for the six months ended 31st March, 2000 of HK\$5,776,226. The comparative figures have been restated to conform with SSAP 24.

The income statement for the six months ended 31st March, 2000 has been modified in order to conform with the current period's presentation.

簡明財政報告表附註

截至二零零一年三月三十一日止六個月

1. 一般資料

本公司為一間於香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司上市。

本公司之主要業務為物業投資及控股投資。本公司之附屬公司及共同控制公司之主要業務為物業投資、物業管理及發展、提供管理服務及控股投資。

2. 會計政策

簡明財政報告表乃按實際成本法編製，並已就重估投資物業及證券投資作出修訂。

本簡明財政報告表乃根據香港會計師公會頒佈之會計實務準則第25條「中期財政報告」編製，惟載入於截至二零零零年七月一日或較後日期止會計期間之中期財政報告表，並無展示比較數字於首份現金流動表內。此舉會與會計實務準則第25條有所偏離，但為香港聯合交易所有限公司證券上市規則所准許。

於一九九九年十月一日前，本集團之投資分類為長期（按成本減永久減值準備）或短期（按成本及市值之較低者）。根據會計實務準則第24條「證券投資的會計處理」，證券投資分為投資證券（按成本扣除減值），及持作買賣證券（按公平價值，估值變動於收益賬內處理）。因採用會計實務準則第24條導致二零零零年三月三十一日止六個月內之溢利增加港幣5,776,226元。比較數字已經重列以符合會計實務準則第24條。

截至二零零零年三月三十一日止六個月之收益賬已作出修訂以符合本期內之呈報形式。

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)

FOR THE SIX MONTHS ENDED 31ST MARCH, 2001

簡明財政報告表附註(續)

截至二零零一年三月三十一日止六個月

2. ACCOUNTING POLICIES (Continued)

The accounting policies adopted are consistent with those followed in the Group's annual financial statements for the year ended 30th September, 2000, except as described below.

SSAP 14 (Revised) "Leases", which has been adopted for the first time in this interim reporting period, has introduced some amendments to the basis of accounting for finance and operating leases. These changes have not had any material effect on the results for the current or prior accounting periods and, accordingly, no prior period adjustment is required.

3. TURNOVER AND CONTRIBUTION

The Group's turnover and contribution analysed by principal activities are as follows:

2. 會計政策(續)

除以下所述外，所採納之會計政策與本集團截至二零零零年九月三十日止年度之周年財政報告表所用者相符。

於本中期報告期間，首次採用之會計實務準則第14條(經修訂)「租賃」，導致財務及營業租賃之會計基準作出若干修訂。此改變對於本會計期間或前會計期間之業績並沒有重大影響，及因此無須就前期間作出調整。

3. 營業額及溢利貢獻

本集團之營業額及溢利貢獻按主要業務分析如下：

	Turnover 營業額		Profit (loss) before taxation 除稅前之溢利(虧損)	
	Six months ended 六個月止		Six months ended 六個月止	
	31.3.2001 HK \$ 港幣	31.3.2000 HK \$ 港幣	31.3.2001 HK \$ 港幣	31.3.2000 HK \$ 港幣
Property rental 物業租金	30,218,429	29,929,815	19,765,116	21,303,140
Sale of goods 銷售貨品	12,421,605	19,385,775	1,392,877	3,375,184
Management services 管理服務	5,047,630	6,852,343	2,248,089	3,274,662
Investment holding 控股投資	2,660	253,887	(10,295,651)	7,130,346
	<u>47,690,324</u>	<u>56,421,820</u>	<u>13,110,431</u>	<u>35,083,332</u>
Exchange gains (losses) on foreign currency borrowings 外幣貸款兌換收益(虧損)			5,748,232	(602,166)
Finance costs 財務支出			(11,003,091)	(12,154,997)
			<u>7,855,572</u>	<u>22,326,169</u>

More than 90% of the Group's turnover and contribution to profit before taxation were derived from Hong Kong.

超過百分之九十之本集團營業額及除稅前溢利之貢獻均來自香港。

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簡明財政報告表附註(續)

截至二零零一年三月三十一日止六個月

4. FINANCE COSTS

		Six months ended 六個月止	
		31.3.2001	31.3.2000
		HK \$	HK \$
		港幣	港幣
Interest on bank loans and overdrafts	銀行貸款及透支利息	7,759,924	9,754,247
Interest on other loans wholly repayable within five years	須於五年內償還之 其他貸款利息	2,348,563	1,096,287
Other financial expenses	其他財政費用	894,604	1,304,463
		<u>11,003,091</u>	<u>12,154,997</u>

5. DEPRECIATION

During the period, depreciation of HK\$1,472,531 (six months ended 31.3.2000: HK\$1,441,117) in respect of the Group's property, plant and equipment was charged to the income statement.

6. TAXATION

Company and subsidiaries	本公司及附屬公司
Hong Kong Profits Tax	香港利得稅
Deferred tax	遞延稅項

Hong Kong Profits Tax is calculated at 16% (2000: 16%) on the estimated assessable profits for the period.

7. DIVIDEND

Interim dividend	中期股息
2 cents (2000: 2 cents) per ordinary share	每股普通股2仙(二零零零年: 2仙)

4. 財務支出

		Six months ended 六個月止	
		31.3.2001	31.3.2000
		HK \$	HK \$
		港幣	港幣
Interest on bank loans and overdrafts	銀行貸款及透支利息	7,759,924	9,754,247
Interest on other loans wholly repayable within five years	須於五年內償還之 其他貸款利息	2,348,563	1,096,287
Other financial expenses	其他財政費用	894,604	1,304,463
		<u>11,003,091</u>	<u>12,154,997</u>

5. 折舊

期內，本集團已於收益賬內扣除物業、裝置及設備之折舊港幣1,472,531元(截至二零零零年三月三十一日止六個月：港幣1,441,117元)。

6. 稅項

		Six months ended 六個月止	
		31.3.2001	31.3.2000
		HK \$	HK \$
		港幣	港幣
Company and subsidiaries	本公司及附屬公司	3,117,159	2,931,665
Hong Kong Profits Tax	香港利得稅	(1,496,842)	1,100,233
Deferred tax	遞延稅項		
		<u>1,620,317</u>	<u>4,031,898</u>

香港利得稅乃以期內估計之應課稅溢利按16%(二零零零年: 16%)之稅率計算撥備。

7. 股息

		Six months ended 六個月止	
		31.3.2001	31.3.2000
		HK \$	HK \$
		港幣	港幣
Interim dividend	中期股息	2,203,588	2,203,588
2 cents (2000: 2 cents) per ordinary share	每股普通股2仙(二零零零年: 2仙)		
		<u>2,203,588</u>	<u>2,203,588</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)

FOR THE SIX MONTHS ENDED 31ST MARCH, 2001

8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the net profit for the period of HK\$5,697,266 (2000: HK\$16,918,093) and on 110,179,385 (2000: 110,179,385) ordinary shares in issue during the period.

The adjustment to comparative earnings per share, arising from the change in accounting policies referred to in note 2 above, is as follows:

Reconciliation of earnings per share for the six months ended 31st March, 2000:

		HK cents 港仙
Reported figure before adjustment	未調整之報告數字	10.1
Adjustment arising from adoption of SSAP 24	採用會計實務準則第24號而產生之調整	5.3
Restated	調整後	<u>15.4</u>

9. ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31st March, 2001, the Group incurred an amount of approximately HK\$237,000 (six months ended 31st March, 2000: HK\$664,000) on acquisition of furniture, fixtures and equipment.

10. TRADE AND OTHER RECEIVABLES

For sales of goods, the Group allows an average credit period of 30 days to its trade customers. Rentals receivable from tenants are payable on presentation of invoices.

The following is an ageing analysis of trade and other receivables at the balance sheet date:

0 – 30 days	0 – 30日
31 – 60 days	31 – 60日
61 – 90 days	61 – 90日
> 90 days	超過90日以上

簡明財政報告表附註 (續)

截至二零零一年三月三十一日止六個月

8. 每股盈利

每股基本盈利之計算法乃根據期內純利港5,697,266元(二零零零年:港幣16,918,093元),並按期內已發行普通股110,179,385(二零零零年:110,179,385)股計算。

根據上述附註2而更改之會計政策所產生之比較每股盈利調整如下:

截至二零零零年三月三十一日止六個月每股盈利之調節:

	HK cents 港仙
Reported figure before adjustment	10.1
Adjustment arising from adoption of SSAP 24	5.3
Restated	<u>15.4</u>

9. 添置物業、裝置及設備

截至二零零一年三月三十一日止六個月內,本集團動用約港幣237,000元(二零零零年三月三十一日止六個月:港幣664,000元)於購入傢俬、裝修及設備。

10. 業務及其他應收賬款

對於銷售貨品,本集團向其貿易客戶提供平均30日之信貸期。租戶之應收租金於發票發出時支付。

於結算日,業務及其他應收賬款之賬齡分析如下:

	31.3.2001 HK \$ 港幣	30.9.2000 HK \$ 港幣
0 – 30 days	2,481,019	3,142,369
31 – 60 days	156,475	362,607
61 – 90 days	178,193	205,107
> 90 days	578,000	637,152
	<u>3,393,687</u>	<u>4,347,235</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)

FOR THE SIX MONTHS ENDED 31ST MARCH, 2001

簡明財政報告表附註(續)

截至二零零一年三月三十一日止六個月

11. TRADE AND OTHER PAYABLES

The following is an ageing analysis of trade and other payables at the balance sheet date:

0 – 30 days	0 – 30日
31 – 60 days	31 – 60日
61 – 90 days	61 – 90日
> 90 days	超過90日以上

12. SHARE CAPITAL

There were no changes in the share capital of the Company for both periods presented.

13. COMMITMENTS

At the balance sheet date, the Group had contracted commitments not provided for in the financial statements as follows:

Property development expenditure authorised and contracted for	物業發展費用 經批准及已訂約
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The Group's attributable share of the capital commitments of the jointly controlled entity is as follows:

Authorised and contracted for	經批准及已訂約
Authorised but not yet contracted for	經批准惟尚未訂約

14. PLEDGE OF ASSETS

At 31st March, 2001, certain investment properties of the Group with an aggregate carrying value of approximately HK\$1,252 million (30.9.2000: HK\$1,252 million) were pledged to banks to secure the general banking facilities granted to the Group.

11. 業務及其他應付賬款

於結算日，業務及其他應付賬款之賬齡分析如下：

31.3.2001	30.9.2000
HK \$	HK \$
港幣	港幣
1,612,857	3,663,834
348,491	188,803
2,480	567,170
1,457,539	2,019,161
<u>3,421,367</u>	<u>6,438,968</u>

12. 股本

本公司之股本於展示之本期及前期間並沒有改變。

13. 承擔

於結算日，本集團尚未於財政報告表撥備之已訂約承擔項目如下：

31.3.2001	30.9.2000
HK \$	HK \$
港幣	港幣
3,118,000	3,118,000

本集團應佔共同控制公司之資本承擔如下：

31.3.2001	30.9.2000
HK \$	HK \$
港幣	港幣
16,755,000	10,755,000
18,000,000	18,000,000
<u>34,755,000</u>	<u>28,755,000</u>

14. 資產抵押

於二零零一年三月三十一日，本集團以總賬面值共約港幣1,252,000,000元(二零零零年九月三十日：港幣1,252,000,000元)之若干投資物業抵押於銀行作為給予本集團一般銀行信貸之保證。

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (Continued)

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15. RELATED PARTY TRANSACTIONS

During the period, B.L. Wong & Co., Ltd. ("BLWCL") and Dado Investments Limited ("Dado") made unsecured short term advances to the Company and charged interest on such advances, calculated at prime rate or Hong Kong interbank offered rate plus a margin, totalling HK\$2,348,563 (six months ended 31.3.2000: HK\$1,096,287). Such advances were fully repaid during the period.

Mr. Wong Bing Lai, Mr. Wong Tat Kee, David and Mr. Wong Tat Sum, Samuel are directors and shareholders of BLWCL. Mr. Wong Tat Chang, Abraham, is also a shareholder of BLWCL. Mr. Wong Bing Lai, Mr. Wong Tat Chang, Abraham, Mr. Wong Tat Kee, David and Mr. Wong Tat Sum, Samuel are directors of Dado. Mr. Wong Tat Chang, Abraham, Mr. Wong Tat Kee, David and Mr. Wong Tat Sum, Samuel are beneficiaries under discretionary trusts which beneficially own shares in Dado.

簡明財政報告表附註(續)

截至二零零一年三月三十一日止六個月

15. 關連人士交易

期內，寶旺有限公司(「寶旺」)及Dado Investments Limited(「Dado」)提供無抵押之短期貸款予本公司及按優惠利率或香港銀行間之借貸利率加若干點子計算收取共港幣2,348,563元(截至二零零零年三月三十一日止六個月：港幣1,096,287元)利息。期內該貸款已全部清還。

黃炳禮先生、黃達琪先生及黃達琛先生為寶旺之董事及股東。黃達漳先生亦是寶旺之股東。黃炳禮先生、黃達漳先生、黃達琪先生及黃達琛先生為Dado之董事，而黃達漳先生、黃達琪先生及黃達琛先生為信託基金之受益人，該信託基金實益持有Dado之股份。