

EXTRACTS FROM THE AUDITED CONSOLIDATED ACCOUNTS OF ASIA STANDARD HOTEL GROUP LIMITED

Asia Standard Hotel Group Limited (“Asia Standard Hotel”) is a principal subsidiary of the Company and incorporated in Bermuda. Following a group reorganisation completed in July 2000, Asia Standard Hotel was successfully listed in Hong Kong in July 2000. Asia Standard Hotel and its subsidiaries are principally engaged in hotel operations and management services.

To provide shareholders with further information on the financial performance and position of Asia Standard Hotel, the following is a summary of the audited consolidated accounts of Asia Standard Hotel for the two years ended 31st March 2001 which have been prepared using the merger method of accounting.

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2001

	2001	2000
	HK\$'000	HK\$'000
Turnover	160,457	174,902
Cost of sales	(62,385)	(77,405)
Gross profit	98,072	97,497
Other income	7,821	312
Administrative expenses	(60,184)	(55,037)
Operating profit	45,709	42,772
Finance costs	(16,811)	(15,452)
Profit before taxation	28,898	27,320
Taxation credit / (charge)	267	(364)
Profit attributable to shareholders	29,165	26,956
Dividend	10,000	–
Earnings per share	0.64 cent	0.77 cent

CONSOLIDATED BALANCE SHEET

As at 31st march 2001

	2001 HK\$'000	2000 HK\$'000
Fixed assets	3,026,974	2,718,416
Current assets		
Inventories	1,992	1,997
Other investment, unlisted	49,500	–
Debtors and prepayments	28,540	31,682
Amount due from a fellow subsidiary	–	3,845
Tax recoverable	178	–
Bank balances and cash	125,813	15,452
	206,023	52,976
Current liabilities		
Creditors and accruals	60,938	49,710
Amounts due to fellow subsidiaries	12,633	40,487
Current portion of long term liabilities	27,976	75,802
Taxation	–	198
	101,547	166,197
Net current assets / (liabilities)	104,476	(113,221)
	3,131,450	2,605,195
Financed by:		
Share capital	101,044	70,000
Reserves	1,890,330	1,453,901
Shareholders' funds	1,991,374	1,523,901
Long term liabilities	1,140,076	1,081,294
	3,131,450	2,605,195