

CONDENSED INCOME STATEMENT

For the six months ended 30 June 2001

		Six months ended 30 June	
		2001	2000
		(unaudited)	(unaudited)
	Note	HK\$	HK\$
Turnover	2	684,790	—
Other revenue	2	45,498	—
Other net income	2	1,360,386	—
Administrative and other operating expenses		<u>(3,940,944)</u>	—
Loss before Taxation	3	(1,850,270)	—
Taxation	4	<u>—</u>	—
Net Loss attributable to shareholders		<u>(1,850,270)</u>	—
Loss per Share			
Basic	6	<u>3.1 cents</u>	—

All of the Company's operations are classed as continuing.

There were no recognised gains or losses other than the net loss for the six months ended 30 June 2001. Accordingly, a statement of recognised gains and losses is not presented.

The accompanying notes form part of this interim financial report.

CONDENSED BALANCE SHEET

As at 30 June 2001

	30 June 2001 (<i>unaudited</i>) <i>Note</i> HK\$	31 December 2000 (<i>audited</i>) <i>HK\$</i>
Non-Current Assets		
Tangible fixed assets	844,343	817,662
Convertible loans receivable	<u>13,800,000</u>	<u>8,800,000</u>
	<u>14,644,343</u>	<u>9,617,662</u>
Current Assets		
Trading securities	21,230,420	23,674,892
Non-trading securities	1,033,522	1,033,522
Sundry deposits, prepayments and other receivables	5,212,321	4,206,788
Subscription money for investment in unlisted shares	—	2,424,242
Cash and cash equivalents	<u>8,816,172</u>	<u>11,973,345</u>
	<u>36,292,435</u>	<u>43,312,789</u>
Current Liabilities		
Sundry payables and accruals	481,191	651,144
Obligation under a hire purchase contract — due within one year	<u>10,620</u>	<u>—</u>
	<u>491,811</u>	<u>651,144</u>
Net Current Assets	<u>35,800,624</u>	<u>42,661,645</u>

CONDENSED BALANCE SHEET (CONTINUED)

As at 30 June 2001

		30 June	31 December
		2001	2000
		<i>(unaudited)</i>	<i>(audited)</i>
	<i>Note</i>	HK\$	HK\$
Total Assets Less Current Liabilities		50,444,967	52,279,307
Non-Current Liabilities			
Obligation under a hire purchase contract			
— due after one year		<u>15,930</u>	<u>—</u>
Net Assets		<u>50,429,037</u>	<u>52,279,307</u>
Capital and Reserves			
Share capital	7	6,000,000	6,000,000
Share options		7	7
Reserves	8	<u>44,429,030</u>	<u>46,279,300</u>
		<u>50,429,037</u>	<u>52,279,307</u>
Net Asset Value Per Share	9	<u>0.8405</u>	<u>0.8713</u>

The accompanying notes form part of this interim financial report.

CONDENSED CASH FLOW STATEMENT

For the six months ended 30 June 2001

	Six months ended 30 June 2001 (unaudited) HK\$
Net Cash Outflow from Operating Activities	<u>(4,124,309)</u>
Returns on Investments and Servicing of Finance	
Interest received	<u>45,498</u>
Net cash inflow from returns on investments and servicing of finance	<u>45,498</u>
Investing Activities	
Increase in convertible loans receivable	(5,000,000)
Refund of subscription money for investment in unlisted shares	2,424,242
Payments for purchases of tangible fixed assets	(331,100)
Payments for purchases of trading securities	(9,323,178)
Receipts from disposal of trading securities	<u>13,125,124</u>
Net cash inflow from investing activities	<u>895,088</u>
Net Cash Outflow before Financing	<u>(3,183,723)</u>
Financing	
Inception of a hire purchase contract	31,860
Capital element of hire purchase rental payments	<u>(5,310)</u>
Net cash inflow from financing	<u>26,550</u>
Decrease in cash and cash equivalents	(3,157,173)
Cash and cash equivalents as at 1 January 2001	<u>11,973,345</u>
Cash and cash equivalents as at 30 June 2001	<u><u>8,816,172</u></u>
Analysis of cash and cash equivalents	
Bank balances and cash	<u><u>8,816,172</u></u>

The accompanying notes form part of this interim financial report.