

## **INTERIM DIVIDEND**

The Directors have resolved not to declare an interim dividend for the six months ended 30th June, 2001 (Six months ended 30th June, 2000: Nil).

## **BUSINESS REVIEW AND PROSPECTS**

### **China**

#### *Joint Venture With CS&S*

The joint venture company with China National Computer Software and Technology Services Corporation (“CS&S”) – ChinaSoft FE International Information Technology Limited is progressing well. Amid economic slowdown and fear of recession in Northern America, China is least affected by the current economic crisis.

Business of ChinaSoft International Limited (“CSI”) has seen promising results this year. Both revenue and profits surged from last year and CSI has appointed an investment bank to carry out its listing plan on the Growth Enterprise Market of Hong Kong. Listing date and schedule will be confirmed in the near future.

For other technology investments, Tricom Cyberworld Holdings Limited has undergone its group restructuring and hopefully will be able to contribute profits to the Group in the near future after the huge trim down of operational costs this year.

#### *Joint Venture Garment Factory*

The Group’s joint venture garment factory in Jiangsu, Jiangsu Bang Bang Silky Fashion Manufacturer Company Limited is performing well and has continued to contribute steady profits to the Group. After several years of operations, the machinery may need to be serviced in the near future. The Group will consider to just refurbish the machinery or buy new equipments to expand the capacity.

The Group will further consolidate its business activities and continue to pursue new investment opportunities, especially with better growth potential in China.

### **Hong Kong**

In Hong Kong, we have converted the Golden Dragon Theatre, Waldorf Theatre and Warwick Theatre into commercial usage and continued to study the feasibility of other modification of the cinemas within the Group.

## **Malaysia**

In Malaysia, the sale of high-end bungalows in Tuanku Jaafar Golf & Country Resort was slow. Other property launches will be carried out once the market demand picks up.

The Golf operation in Malaysia is steady. The Company will seek ways to improve management and operating results.

## **Singapore**

### ***Parkway Centre***

Parkway Centre, our investment property in Singapore, has continued to generate rental income and we are looking at the right opportunity to further launch the sale of office units.

### ***Rainforest Café***

The operation of our first Rainforest Café in Singapore is not as satisfactory as forecasted due to downturn in Singapore's economy. The Group will delay plans to build Rainforest Café in other locations.

The Company will continue to dispose of its non-core assets when opportunities so arise.

## **EMPLOYEE AND REMUNERATION POLICIES**

The number of employee of the Group as at 30th June, 2001 was approximately 600. Employees are remunerated according to nature of the job and market conditions.

On behalf of the Board

**Duncan Chiu**

*Deputy Managing Director*

Hong Kong, 20th September, 2001