

Notes to the Accounts

32. Notes to the consolidated cash flow statement (continued)

(e) Sale of subsidiaries

	Year ended 30 June 2001 <i>HK\$'000</i>	Period from 1 April 1999 to 30 June 2000 <i>HK\$'000</i>
Net assets disposed of:		
Fixed assets	2,112	5
Associated company	1	—
Inventories	4,192	126
Accounts and other receivables	7,724	134
Trading investments	21,752	—
Cash and bank balances	1,045	1,552
Accounts and other payables	(7,296)	(1,224)
Bank loans	(1,094)	—
Taxation	(142)	—
	<u>28,294</u>	<u>593</u>
Exchange reserve	(150)	—
Capital reserve	(16,223)	(11,318)
Profit on disposal	<u>16,373</u>	<u>11,318</u>
	<u>28,294</u>	<u>593</u>
Satisfied by cash	<u>28,294</u>	<u>593</u>

(f) Analysis of the net cash inflow/(outflow) in respect of the disposal of subsidiaries

	Year ended 30 June 2001 <i>HK\$'000</i>	Period from 1 April 1999 to 30 June 2000 <i>HK\$'000</i>
Cash consideration	28,294	593
Cash and bank balances disposed of	(1,045)	(1,552)
Bank loans disposed of	<u>1,094</u>	<u>—</u>
Net cash inflow/(outflow) in respect of disposal of subsidiaries	<u>28,343</u>	<u>(959)</u>

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33. Principal subsidiaries

The following list contains particulars of subsidiaries of the Group which in the opinion of the directors, materially affect the results and assets of the Group. To give details of other subsidiaries would, in the opinion of directors, result in particulars of excessive length.

Name of company	Place of incorporation/ registration and operations	Issued/ registered share capital/paid up capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Azure Assets Ltd	British Virgin Island/ Hong Kong	US\$1	—	51%	Securities trading
Beverley Peak Limited	Hong Kong	Ordinary HK\$10 Deferred HK\$3 (<i>note 1</i>)	100%	—	Property investment
Cheung Wah Ho Dyestuffs Company Limited	Hong Kong	Ordinary HK\$800,100 Deferred HK\$1,000 (<i>note 1</i>)	100%	—	Dyestuffs trading
Cheung Wah Jumbo Limited	Hong Kong	HK\$2	100%	—	Investment holding
Cheung Wah Properties Limited	Hong Kong	HK\$2	100%	—	Property investment
China Trade Investment Limited	Hong Kong	HK\$2	100%	—	Property investment
Dorlink Limited	Hong Kong	HK\$10,000	100%	—	Property investment
Dragon Lion Limited	Hong Kong	HK\$2	100%	—	Investment holding
Fine Score Investments Limited	Hong Kong	HK\$2	100%	—	Property investment
Foshan Chande Knitting Enterprise Company, Limited	PRC	Paid up capital US\$7,100,000	—	51%	Fabric dyeing, knitting and garment manufacturing
Full Success Investments Limited	Hong Kong	HK\$2	100%	—	Property investment

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33. Principal subsidiaries (continued)

Name of company	Place of incorporation/ registration and operations	Issued/ registered share capital/paid up capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Gesway Investment Limited	Hong Kong	HK\$2	100%	—	Investment holding
Glory Venture Investment Limited	Hong Kong	HK\$2	100%	—	General trading
Lancerwide Company Limited	Hong Kong	HK\$10,000	100%	—	Dyestuffs trading
Layet Company, Limited	Hong Kong	Ordinary HK\$1,000 Deferred HK\$10,000 (note 1)	100%	—	Property investment
Lucky Happy Development Limited	Hong Kong	HK\$100	100%	—	Property holding
Maniway Properties Limited	Hong Kong	HK\$2	100%	—	Property holding
Nicken Limited	Hong Kong	HK\$2	100%	—	Property investment
Peach Garden Country Club (Nanhai) Limited	PRC	Paid up capital US\$4,368,000	—	57.89%	Country club operation
Prime Success Development Limited	Hong Kong	HK\$2	100%	—	Property investment
Rearden Limited	Hong Kong	HK\$10,000	100%	—	Property investment
SBI E2-Capital (HK) Limited (formerly known as e2-Capital (HK) Limited)	Hong Kong	HK\$10,000,000	—	51%	Provision of corporate finance services
SBI E2-Capital Brokerage Limited (formerly known as e2-Capital Brokerage Limited)	Hong Kong	HK\$10,000,000	—	51%	Securities broking

Notes to the Accounts

33. Principal subsidiaries (continued)

Name of company	Place of incorporation/ registration and operations	Issued/ registered share capital/paid up capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
SBI E2-Capital Commodities Limited (formerly known as e2-Capital Commodities Limited)	Hong Kong	HK\$5,000,000	—	51%	Broker of commodities, options and futures contracts
SBI E2-Capital Pte Limited (formerly known as e2-Capital Pte Limited)	Singapore	S\$2,500,000	—	28.56%	Provision of corporate finance services in Singapore
SBI China Provident Capital Limited	Hong Kong	HK\$1,000,000	—	25.50%	Provision of asset management services
SBI E2-Capital Asia Limited (formerly known as e2-Capital Securities (BVI) Limited)	British Virgin Islands/ Hong Kong	US\$1	—	51%	Investment holding
SBI E2-Capital Securities Limited (formerly known as e2-Capital Securities Limited)	Hong Kong	HK\$50,000,000	—	51%	Securities broking and provision of margin financing
SBI Capital Offshore (BVI) Limited (formerly known as SBI e2-Capital Offshore (BVI) Limited)	British Virgin Islands/ Hong Kong	US\$1	—	51%	Securities trading
SBI E2-Capital (USA) Inc. (formerly known as e2-Capital (USA) Inc.)	British Virgin Islands/United States of America	US\$1	—	51%	Provision of corporate finance services

Notes to the Accounts

33. Principal subsidiaries (continued)

Name of company	Place of incorporation/ registration and operations	Issued/ registered share capital/paid up capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
SBI E2-Capital Limited (formerly known as e2-Capital Securities (Holdings) Limited)	Cayman Islands/ Hong Kong	HK\$300	—	51%	Investment holding
SBI E2-Capital Far East Limited (formerly known as e-advertising Investments Limited)	British Virgin Islands/ Hong Kong	US\$1	—	51%	Provision of financial consultancy services
SBIS Capital Holdings Limited (formerly known as Deal Smart International Limited)	British Virgin Islands/ Hong Kong	US\$1	100%	—	Investment holding
SIIS (Nominees) Limited (formerly known as SBIS (Nominees) Limited)	Hong Kong	HK\$2	100%	—	Provision of nominee services
SIIS-UCM Holdings Limited (formerly known as Venture City Finance Limited)	British Virgin Islands/ Hong Kong	US\$1	100%	—	Investment holding
Sumoton Investment Limited	British Virgin Islands/ Hong Kong	US\$1	100%	—	Investment holding
Tak Wah Ho Dyestuffs Company, Limited	Hong Kong	Ordinary HK\$1,000 Deferred HK\$1,200,100 (note 1)	100%	—	Dyestuffs trading
Woodhill Investments Limited	Hong Kong	HK\$2	—	51%	Securities trading
Year Ford Industries Limited	Hong Kong	HK\$1,000	100%	—	Property investment



Notes to the Accounts

33. Principal subsidiaries *(continued)*

Notes:

- (1) The deferred shares carry no rights to dividends, to receive notice of or to attend or vote at any general meeting of the respective subsidiaries and the right to participation in distribution on winding up is also restricted.
- (2) Unless otherwise stated, all subsidiaries issued ordinary share capital.
- (3) Unless otherwise stated, the principal place of operation of each company is the same as its place of incorporation.

34. Comparative figures

In prior period, the Company changed its financial year end from 31 March to 30 June. Accordingly, the comparative figures (which cover a period of fifteen months from 1 April 1999 to 30 June 2000) for the profit and loss account, statement of recognised gains and losses, cash flows and related notes are not comparable with that of the current year.

35. Ultimate holding company

The directors regard Softbank Corp., a company incorporated and listed in Japan, as being the ultimate holding company of the Company.

36. Approval of accounts

The accounts were approved by the board of directors on 20 September 2001.