



## BUSINESS REVIEW

The Group's unaudited loss for the six months ended 30 September 2001 was HK\$119,065,000 as compared with a loss of HK\$54,030,000 recorded in the corresponding period last year.

The Group is previously principally engaged in the property development and investment as well as high value-added technology projects. Owing to the slow recovery from the financial turmoil in 1997 and the worldwide economy slump during the first half of 2001, the Group will have taken a very cautious approval in development of new businesses and engaged in the following existing businesses.

### *Property investment and development*

A land project in PRC, Guangzhou Le Palais is situated in Guangzhou city and designed as a luxury residential property complex complemented by a club house with sport facilities. The sale of the units for the development has been launched.

### *Telecommunication*

The Group has a 22% equity interest in a company engaging the distribution of international pre-paid phone calling cards, the provision of video conferencing, internet access and unified messaging services.

### *Organic fertilisers*

The Group has a 25% equity interest in a bio-technology company which holds an indirect 80% interest in a joint venture company engaging in the production of organic fertilisers in the PRC.

### *Manufacture and distribution of lottery-related hardwares and softwares*

The Group has a 20% equity interest in a lottery technology company which has an indirect 65% interest in a joint venture company in PRC, which engages in development, sale, leasing and distribution of lottery-related hardwares, softwares, operating and management systems in the PRC.

### *Other technology investments and operations*

The Group has a 13.3% equity interest in a company developing and providing internet enabling technology solutions and applications and offering internet professional services.