

**INTERIM REPORT AND ACCOUNTS
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2001**

The Directors are pleased to present the Group's interim report and accounts for the six months ended 30th September 2001. The Group reported a profit attributable to shareholders of HK\$8.8 million for the period under review. The consolidated results of the Group for the six months ended 30th September 2001, the consolidated balance sheet as at 30th September 2001, the consolidated cash flow statement and the statement of recognised gains and losses of the Group for the six months ended 30th September 2001, all of which are unaudited, along with the relevant explanatory notes, are set out below.

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2001**

	<i>Note</i>	Unaudited Six Months ended 30th September	
		2001 HK\$'000	2000 HK\$'000
Turnover	2	584,493	593,174
Cost of sales		<u>(224,527)</u>	<u>(261,136)</u>
Gross profit		359,966	332,038
Other income		14,508	16,515
Selling expenses		(252,760)	(176,807)
General and administrative expenses		(81,951)	(77,034)
Other operating expenses		(26,909)	(72,457)
Profit on repurchase of convertible notes		–	4,228
Foreign exchange gain on convertible notes		–	5,365
Net profit on sales of land and buildings		–	17,799
Forfeiture of deposit from property purchaser		18,000	–
Net unrealised loss on marketable securities		<u>–</u>	<u>(11,541)</u>
Operating profit before financing	3	30,854	38,106
Finance costs		<u>(21,598)</u>	<u>(21,642)</u>
Profit before taxation		9,256	16,464
Taxation	4	<u>(490)</u>	<u>(780)</u>
Profit after taxation		8,766	15,684
Minority interests		<u>–</u>	<u>–</u>
Profit attributable to shareholders		<u><u>8,766</u></u>	<u><u>15,684</u></u>
Earnings per share	6	<i>HK cents</i>	<i>HK cents</i>
– basic		0.94	1.68
– diluted		<u>0.93</u>	<u>1.66</u>