

FIVE YEAR FINANCIAL SUMMARY

Due to the limitations as stated in the Disclaimer of the Board of Directors, the Current Directors expressly disclaim their responsibilities on the accuracy of the information stated under this section.

The table set out below summarises the consolidated results of the Group for the preceding five financial periods ended 30 September 2000, as derived from the audited consolidated financial statements of the Company of each respective year/period adjusted to reflect the change in accounting policy of the Company as described in the note below.

	Year ended 30 June				15 months ended
	1996	1997	1998	1999	30 Sept 2000
	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000
	(note below)	(note below)	(note below)		
Turnover	<u>871,017</u>	<u>604,874</u>	<u>497,468</u>	<u>364,880</u>	<u>539,577</u>
Profit/(loss) for the year/period	17,388	(579,166)	(182,620)	(158,765)	(206,132)
Share of results of associates	(9,711)	(14,452)	(8,463)	(50)	–
Profit/(loss) before taxation	<u>7,677</u>	<u>(593,618)</u>	<u>(191,083)</u>	<u>(158,815)</u>	<u>(206,132)</u>
Taxation	2,419	(16,102)	535	–	–
Profit/(loss) before minority interests	<u>5,258</u>	<u>(577,516)</u>	<u>(191,618)</u>	<u>(158,815)</u>	<u>(206,132)</u>
Minority interests	(4,093)	13,940	–	–	–
Profit/(loss) attributable to shareholders	<u>1,165</u>	<u>(563,576)</u>	<u>(191,618)</u>	<u>(158,815)</u>	<u>(206,132)</u>

Note: In 2000, the Company has adopted, for the first time, the Statement of Standard Accounting Practice 10 (Revised) (“SSAP 10”) “Accounting for investments in associates” issued by the Hong Kong Society of Accountants. The revision of SSAP 10 has not resulted in any significant changes to the accounting treatment adopted for associates, except in relation to associates with net deficits. Prior to 1 July 1999, the Group accounted for its share of all of the losses of such associates provided that the investment was regarded as long-term. Under SSAP 10 (Revised), recognition of such losses is discontinued when the losses equal to the carrying amount of the Group’s investment, except to the extent that the Group has incurred obligations in respect of, or made payments to satisfy obligations of, the associates, that the Group has guaranteed or otherwise committed. Because the Group has no obligations to share the net deficits of certain associates of the Group, a prior period adjustment has been made in order to reflect the adjustment for the adopting of this new accounting policy. This change in accounting policy has been applied retrospectively resulting in reduction in the Group’s deficit as at 1 July 1998, 1997 and 1996 by HK\$17,046,000, HK\$12,045,000 and HK\$4,234,000 and in reduction in the Group’s loss for the years ended 30 June 1998, 1997 and 1996 by HK\$5,001,000, HK\$7,811,000 and HK\$631,000, respectively.

FIVE YEAR FINANCIAL SUMMARY (continued)

The following table summarises the audited consolidated net assets of the Group as at the last five reported financial period end dates, as extracted from the respective financial statement of the Company and adjusted to reflect the change in accounting policy of the Company as described in the note below.

	1996	1997	30 June 1998	1999	30 Sept 2000
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(note below)</i>	<i>(note below)</i>	<i>(note below)</i>		
Total assets	1,099,871	769,781	434,622	331,708	212,681
Total liabilities and minority interests	(588,635)	(645,547)	(537,501)	(593,776)	(224,553)
Net assets/(Net deficiency in assets)	<u>511,236</u>	<u>124,234</u>	<u>(102,879)</u>	<u>(262,068)</u>	<u>(11,872)</u>

Note: In 2000, the Company has adopted, for the first time, the Statement of Standard Accounting Practice 10 (Revised) (“SSAP 10”) “Accounting for investments in associates” issued by the Hong Kong Society of Accountants. The revision of SSAP 10 has not resulted in any significant changes to the accounting treatment adopted for associates, except in relation to associates with net deficits. Prior to 1 July 1999, the Group accounted for its share of all of the losses of such associates provided that the investment was regarded as long-term. Under SSAP 10 (Revised), recognition of such losses is discontinued when the losses equal to the carrying amount of the Group’s investment, except to the extent that the Group has incurred obligations in respect of, or made payments to satisfy obligations of, the associates, that the Group has guaranteed or otherwise committed. Because the Group has no obligations to share the net deficits of certain associates of the Group, a prior period adjustment has been made in order to reflect the adjustment for the adopting of this new accounting policy. This change in accounting policy has been applied retrospectively resulting in reduction in the Group’s deficit as at 1 July 1998, 1997 and 1996 by HK\$17,046,000, HK\$12,045,000 and HK\$4,234,000 and in reduction in the Group’s loss for the years ended 30 June 1998, 1997 and 1996 by HK\$5,001,000, HK\$7,811,000 and HK\$631,000, respectively.