Extracts from the Audited Consolidated Accounts of Asia Standard Hotel Group Limited

Asia Standard Hotel Group Limited ("Asia Standard Hotel") is a principal subsidiary of the Company. It is incorporated in Bermuda and listed in Hong Kong and its subsidiaries are principally engaged in hotel and catering service, travel agency and management services.

To provide shareholders with further information on the financial performance and position of Asia Standard Hotel, the following is a summary of the audited consolidated accounts of Asia Standard Hotel for the year ended 31st March 2003.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2003

	2003 HK$'000	2002 HK$'000
Turnover	448,215	424,884
Cost of sales	(306,702)	(317,934)
Gross profit	141,513	106,950
Administrative expenses	(75,540)	(62,164)
Other charges	(3,806)	(7,092)
Operating profit	62,167	37,694
Interest income	2,056	788
Net investment (loss) / gain	(4,062)	3,390
Finance costs	(46,845)	(23,409)
Share of loss of an associated company	(1,158)	–
Profit before taxation	12,158	18,463
Taxation	(210)	(477)
Profit attributable to shareholders	11,948	17,986
Earnings per share	0.24 cent	0.36 cent

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH 2003

	2003 HK$'000	2002 HK$'000
Fixed assets	3,015,926	3,231,881
Goodwill	31,724	40,236
Associated company	11,842	–
Long term investment	1,601	1,001
Current assets		
Inventories	2,910	3,701
Other investments	92,347	87,227
Debtors and prepayments	51,575	48,833
Tax recoverable	333	587
Bank balances and cash	30,803	121,560
	177,968	261,908
Current liabilities		
Creditors and accruals	42,257	90,760
Current portion of long term liabilities	62,094	40,405
Taxation payable	370	370
Bank overdraft, unsecured	2	–
	104,723	131,535
Net current assets	73,245	130,373
	3,134,338	3,403,491
Financed by:		
Share capital	101,042	101,044
Reserves	1,795,231	2,006,730
Shareholders' funds	1,896,273	2,107,774
Long term liabilities	1,238,065	1,295,717
	3,134,338	3,403,491