

# 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 services, travel agency businesses 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 2004.

	<b>2004</b>	2003
	<b>HK\$'000</b>	HK\$'000
Turnover	<b>425,966</b>	448,215
Cost of sales	<b>(307,429)</b>	(306,702)
Gross profit	<b>118,537</b>	141,513
Administrative expenses	<b>(76,626)</b>	(75,540)
Other charges	<b>(12,935)</b>	(3,806)
Operating profit	<b>28,976</b>	62,167
Interest income	<b>3,485</b>	2,056
Net investment gain / (loss)	<b>807</b>	(4,062)
Finance costs	<b>(40,200)</b>	(46,845)
Share of loss of an associated company	<b>(712)</b>	(1,158)
(Loss) / profit before taxation	<b>(7,644)</b>	12,158
Taxation	<b>(4,323)</b>	(6,445)
(Loss) / profit attributable to shareholders	<b>(11,967)</b>	5,713
(Loss) / earnings per share	<b>(0.24 cent)</b>	0.11 cent

**Consolidated Balance Sheet  
as at 31st March 2004**

	<b>2004</b>	2003
	<b>HK\$'000</b>	HK\$'000
Fixed assets	<b>3,169,702</b>	3,015,926
Goodwill	<b>27,918</b>	31,724
Associated company	–	11,842
Long-term investment	<b>1,601</b>	1,601
Deferred tax assets	<b>3,814</b>	4,539
Current assets		
Inventories	<b>2,615</b>	2,910
Other investments	<b>69,984</b>	92,347
Debtors and prepayments	<b>98,429</b>	51,575
Tax recoverable	<b>200</b>	333
Bank balances and cash	<b>13,794</b>	30,803
	<b>185,022</b>	177,968
Current liabilities		
Creditors and accruals	<b>45,510</b>	42,257
Convertible notes	<b>46,000</b>	–
Current portion of long term liabilities	<b>43,311</b>	62,094
Taxation payable	<b>370</b>	370
Bank overdraft, unsecured	<b>3,941</b>	2
	<b>139,132</b>	104,723
Net current assets	<b>45,890</b>	73,245
	<b>3,248,925</b>	3,138,877
Financed by:		
Share capital	<b>101,042</b>	101,042
Reserves	<b>1,905,400</b>	1,781,182
Shareholders' funds	<b>2,006,442</b>	1,882,224
Long term liabilities	<b>1,217,737</b>	1,238,065
Deferred tax liabilities	<b>24,746</b>	18,588
	<b>3,248,925</b>	3,138,877