

## SUPPLEMENTARY INFORMATION FOR ADS HOLDERS

The above unaudited financial information has been prepared in accordance with the generally accepted accounting principles applicable in Hong Kong (“HK GAAP”), which differ in certain significant respects from those applicable in the United States (“US GAAP”). The significant differences between HK GAAP and US GAAP that affect the Group’s results for the six months ended 30 June 2004 and shareholders’ equity at 30 June 2004 are substantially the same as those disclosed in the Company’s 2003 annual report. The effect of the significant differences between HK GAAP and US GAAP on the Group’s unaudited consolidated net loss for the six months ended 30 June 2004 and shareholders’ equity at 30 June 2004 are set out below. The US GAAP adjustments shown below have been prepared by management and have not been subject to independent audit.

	Six months ended 30 June		
	2004 US\$'000	2004 HK\$'000	2003 HK\$'000
Net loss as reported under HK GAAP	(6,537)	(50,992)	(162,743)
Adjustments:			
Investment properties	(117)	(917)	(42)
Stock option compensation	58	456	(701)
Approximate net loss as reported under US GAAP	(6,596)	(51,453)	(163,486)
Approximate basic net loss per share in accordance with US GAAP	US\$(1.60 cents)	HK\$(12.45 cents)	HK\$(39.63 cents)
Approximate diluted net loss per share in accordance with US GAAP	US\$(1.60 cents)	HK\$(12.45 cents)	HK\$(39.63 cents)
Approximate basic net loss per ADS in accordance with US GAAP*	US\$(12.77 cents)	HK\$(99.60 cents)	HK\$(317.04 cents)
Approximate diluted net loss per ADS in accordance with US GAAP*	US\$(12.77 cents)	HK\$(99.60 cents)	HK\$(317.04 cents)

\* Based on a ratio of 8 ordinary shares of the Company to one American depository share (“ADS”).

## SUPPLEMENTARY INFORMATION FOR ADS HOLDERS (continued)

	At 30 June		At 31 December
	2004	2004	2003
	US\$'000	HK\$'000	HK\$'000
Shareholders' equity as reported under HK GAAP	<b>282,318</b>	<b>2,202,080</b>	2,253,030
Adjustments:			
Accumulated depreciation on investment properties	(184)	(1,437)	(520)
Revaluation reserve	(987)	(7,700)	(7,700)
Shareholders' equity as reported under US GAAP	<b>281,147</b>	<b>2,192,943</b>	2,244,810

Solely for the convenience of the reader, amounts in Hong Kong dollars included in this Interim Report have been translated into United States dollars at the rate of 7.8. No representation is made that the Hong Kong dollars amounts could have been, or could be, converted into United States dollars at that rate or at any other rate on 30 June 2004 or on any other date.