

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 2005.

Consolidated profit and loss account

For the year ended 31st March

	2005	2004
	HK\$'000	HK\$'000
Turnover	569,248	425,966
Cost of sales	(388,016)	(307,429)
Gross profit	181,232	118,537
Administrative expenses	(84,279)	(76,626)
Other charges	(14,730)	(12,935)
Operating profit	82,223	28,976
Interest income	2,140	3,485
Net investment gain	58,601	807
Finance costs	(37,205)	(40,200)
Share of loss of an associated company	–	(712)
Profit/(loss) before taxation	105,759	(7,644)
Taxation	(20,863)	(4,323)
Profit/(loss) attributable to shareholders	84,896	(11,967)
Earnings/(loss) per share		
Basic	1.68 cent	(0.24) cent
Diluted	1.67 cent	N/A

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Consolidated balance sheet

As at 31st March 2005

	2005 HK\$'000	2004 HK\$'000
Fixed assets	3,313,996	3,169,702
Goodwill	13,188	27,918
Long term investment	–	1,601
Deferred tax assets	6,152	3,814
Current assets		
Inventories	2,690	2,615
Other investments	93,137	69,984
Debtors and prepayments	89,711	98,429
Tax recoverable	200	200
Bank balances and cash	64,972	13,794
	250,710	185,022
Current liabilities		
Creditors and accruals	47,585	45,510
Convertible notes	–	46,000
Current portion of long term liabilities	38,963	43,311
Taxation payable	10,973	370
Bank overdraft, unsecured	8,778	3,941
	106,299	139,132
Net current assets	144,411	45,890
	3,477,747	3,248,925
Financed by:		
Share capital	101,042	101,042
Reserves	2,122,435	1,905,400
Shareholders' funds	2,223,477	2,006,442
Long term liabilities	1,214,514	1,217,737
Deferred tax liabilities	39,756	24,746
	3,477,747	3,248,925