

Condensed Consolidated Financial Statements

The directors are pleased to present the Group's Interim Report and the condensed accounts for the six months ended 31 December 2000. The consolidated results and the consolidated cash flow statement for the six months ended 31 December 2000, and the consolidated balance sheet as at 31 December 2000 of the Group, all of which are unaudited and condensed, along with selected explanatory notes, are set out on pages 5 to 17 of this report.

Condensed Consolidated Profit and Loss Account

for the six months ended 31 December 2000

		Unaudited	
		Six months ended	
		31 December	
		2000	1999
	<i>Note</i>	HK\$'000	HK\$'000
Turnover	2	1,481,933	1,471,448
Cost of sales and services		(644,416)	(527,783)
Gross profit		837,517	943,665
Other revenue		113,490	115,280
Other operating expenses		(1,063,945)	(964,326)
Write off of deferred handset subsidy and other customer acquisition costs and other assets	3	–	(488,211)
Operating loss for the period	4	(112,938)	(393,592)
Dividend	6	–	(66,249)
Loss per share	7		
Basic		HK\$(0.19)	HK\$(0.65)
Diluted		HK\$(0.19)	HK\$(0.65)

Apart from the loss as shown above, there are no other recognized gains and losses for the period. Accordingly, no separate statement of condensed recognized gains and losses is presented.

Condensed Consolidated Financial Statements

Condensed Consolidated Balance Sheet

at 31 December 2000

	Note	Unaudited 31 December 2000 HK\$'000	Audited 30 June 2000 HK\$'000
Fixed assets	8	2,253,221	2,242,596
Interests in an associate	9	21,030	–
Investment securities		39,446	21,765
Deferred expenditure		53,792	62,681
		2,367,489	2,327,042
Current assets			
Stocks and stock in transit		63,597	79,055
Trade debtors	10	179,508	208,267
Prepayments, deposits and other receivables		233,613	290,552
Held-to-maturity debt securities	11	–	232,000
Pledged bank deposits		285,895	354,791
Cash and bank balances		3,395,914	3,165,148
		4,158,527	4,329,813
Current liabilities			
Trade creditors	12	225,415	193,232
Other creditors and accruals		740,908	715,158
Customers' deposits		124,533	150,542
Deferred income		101,329	95,110
Proposed dividend		–	30,119
Taxation		9,052	9,052
		1,201,237	1,193,213
Net current assets		2,957,290	3,136,600
		5,324,779	5,463,642
Financed by :			
Share capital	13	59,956	60,239
Reserves	14	5,264,823	5,403,403
		5,324,779	5,463,642

Condensed Consolidated Cash Flow Statement

for the six months ended 31 December 2000

	Unaudited
	Six months ended
	31 December 2000
	HK\$'000
Net cash inflow from operating activities	182,270
Net cash inflow from returns on investment and servicing of finance	85,360
Net cash outflow from investing activities	(79,835)
Net cash inflow before financing	187,795
Net cash inflow from financing	42,971
Increase in cash and bank balances	230,766
Cash and bank balances at beginning of the period	3,165,148
Cash and bank balances at the end of the period	3,395,914