

For the year ended 31st December, 2000

8. Employees' Emoluments

Of the five individuals with the highest emoluments in the Group, three (1999: three) were directors of the Company whose emoluments are included in the disclosures in note 7 above. The emoluments of the remaining two (1999: two) individuals were as follows:

	2000	1999
	HK\$'000	HK\$'000
Salaries and other benefits	2,364	1,594
Contributions to retirement benefits scheme	10	91
	2,374	1,685

Their emoluments were within the following bands:

	2000 No. of employee	No. of employee
Nil to HK\$1,000,000	-	1
HK\$1,000,001 to HK\$1,500,000	<u>2</u>	1

9. Taxation

	2000	1999
The charge comprises:	HK\$'000	HK\$'000
Hong Kong Profits Tax		
Current year	5,278	1,022
(Over)underprovision in the previous year	(1,971)	220
Tax refund	_	(360)
Share of tax credit on results of associates	-	(86)
	3,307	796

Hong Kong Profits Tax is calculated at 16% of the estimated assessable profit for the year.

Details of the potential deferred tax credit not provided are set out in note 33.

For the year ended 31st December, 2000

10. Net Profit for the Year

Of the Group's net profit for the year of approximately HK\$66,432,000 (1999: HK\$13,733,000), a profit of approximately HK\$8,856,000 (1999: a loss of HK\$1,900,000) has been dealt with in the financial statements of the Company.

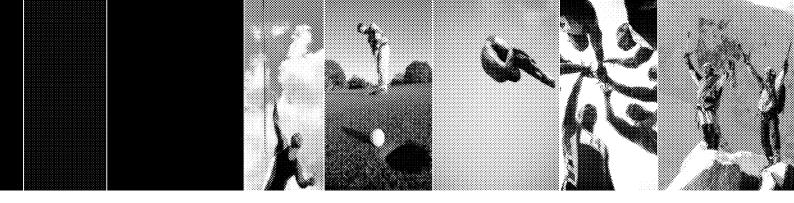
11. Dividends

	2000	1999
	HK\$'000	HK\$'000
Interim, paid - 1 cent per share (1999: Nil)	11,4 69	_
Final, proposed - 2 cents per share (1999: Nil)	22,930	_
	34,399	

12. Earnings Per Share

The calculation of the basic and diluted earnings per share is based on the following data:

	2000	1999
	HKS	HK\$
Profit for the year for the purposes of		
basic earnings per share	66,432,000	13,733,000
	-	
Weighted average number of ordinary shares for the		
purposes of basic earnings per share	962,453,150	572,378,559
Effect of dilutive potential ordinary shares - options	6,049,085	3,180,250
Weighted average number of ordinary shares for the		
purposes of diluted earnings per share	968,502,235	575,558,809



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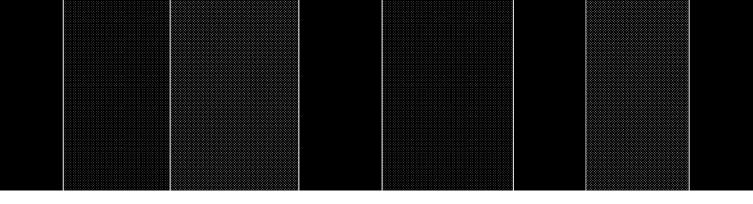
13. Property, Plant and Equipment

THE GROUP

			Furniture,				
	Leasehold		fixtures				
	land and	Leasehold	and	Plant and		Motor	
	buildings	improvements	equipment	machinery	Moulds	vehicles	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
COST							
At 1st January, 2000	11,874	5,602	4,155	6,831	5,991	1,497	35,950
Acquired on acquisitions							
of subsidiaries	3,000	2,065	6,898	-	-	421	12,384
Additions	1,351	3,451	8,193	7	793	168	13,963
Disposals -		(229)				(394)	(623)
At 31st December, 2000	16,225	10,889	19,246	6,838	6,784	1,692	61,674
DEPRECIATION							
At 1st January, 2000	1,021	4,720	3,296	6,415	5,262	953	21,667
Acquired on acquisitions							
of subsidiaries	120	866	2,954	-	-	276	4,216
Provided for the year	356	1,764	2,392	191	495	305	5,503
Eliminated on disposals						(320)	(320)
At 31st December, 2000	1,497	7,350	8,642	6,606	5,757	1,214	31,066
NET BOOK VALUES							
At 31st December, 2000	14,728	3,539	10,604	232	1,027	478	30,608
At 31st December, 1999	10,853	882	859	416	729	544	14,283
=							

At 31st December, 2000, the net book value of leasehold land and buildings of HK\$10,617,000 (1999: HK\$10,853,000) and HK\$4,111,000 (1999: Nil) are situated in Hong Kong and the People's Republic of China respectively, and are held under medium-term leases.

At 31st December, 2000, the net book value of furniture, fixtures and equipment of HK10,604,000 includes an amount of HK\$139,000 (1999: Nil) in respect of assets held under finance leases and hire purchase contracts.

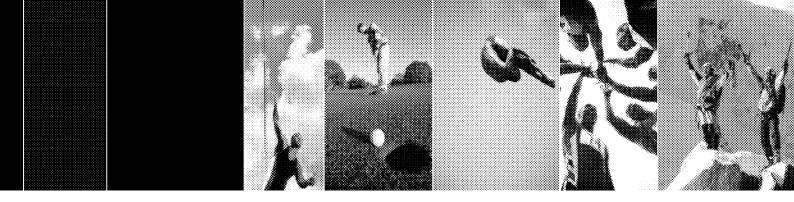


For the year ended 31st December, 2000

13. Property, Plant and Equipment (Continued)

THE COMPANY

		Furniture, fixtures		
	Leasehold	and	Motor	
	improvements	equipment	vehicles	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
COST				
At 1st January, 2000	2,451	1 ,227	1,228	4,906
Additions	2,194	2,131		4,325
At 31st December, 2000	4,645	3,358	1,228	9,231
DEPRECIATION				
At 1st January, 2000	1,811	507	696	3,014
Provided for the year	967	397	246	1,610
At 31st December, 2000	2,778	904	942	4,624
NET BOOK VALUES				
At 31st December, 2000	1,867	2,454	286	4,607
At 31st December, 1999	640	720	532	1,892



For the year ended 31st December, 2000

14. Properties under Development

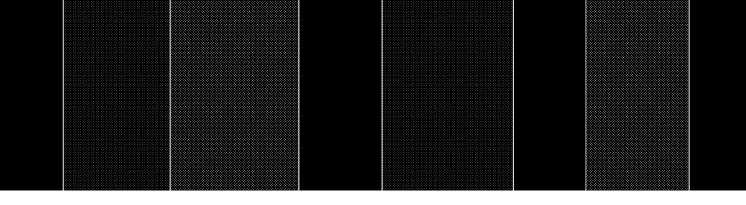
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	2000	1999
	HK\$'000	HK\$'000
COST		
At 1st January	356,007	480,446
Additions	32,830	43,964
Reclassified to properties under		
development for sale (note 22)		(168,403)
At 31st December	388,837	356,007
PROVISION		
At 1st January	59,000	114,000
Reclassified to properties under		
development for sale (note 22)		(55,000)
At 31st December	59,000	59,000
	329,837	297,007

The properties under development are situated in Hong Kong and the relevant lease terms are summarised as follows:

	2000	1999
	HK\$'000	HK\$'000
Properties under development held under long leases Properties under development held	89.881	87,542
under medium-term leases	239,956	209,465
	329,837	297,007

As at 31st December, 2000, interest expenses capitalised in the cost of properties under development held on 31st December, 2000 amounted to HK\$44,996,000 (1999: HK\$34,512,000).



For the year ended 31st December, 2000

15. Investments in Subsidiaries

2000 1999

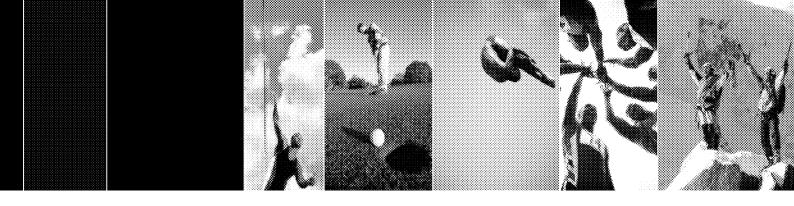
HK\$'000 HK\$'000

1,185,916 1,185,915

Unlisted shares, at cost

Particulars of the Company's principal subsidiaries as at 31st December, 2000 are as follows:

Name of subsidiary	Place of incorporation/ registration	Nominal value of issued share capital	of no value o share ca by the C	ortion ominal of issued pital held Company Indirectly	Principal activities
Access Way Investment Limited	Hong Kong	HK\$2	-	100	Property development
Active Way International Limited	Hong Kong	HK\$2	-	100	Property development
Alfacom Web Development Limited	Hong Kong	HK\$100,000	-	51	Provision of technology consulting and development services
Azure Assets Limited (note a)	British Virgin Islands	US\$1	-	100	Securities trading
Best Orient Investment Limited	Hong Kong	HK\$2	-	100	Property holding
Boxmore Limited	British Virgin Islands	US\$7,389,400	-	88	Investment holding
Coreford Investments Limited	British Virgin Islands	US\$1	-	100	Investment holding
Crebox Limited	British Virgin Islands	US\$180	-	100	Investment holding
Crown Well Ltd.	British Virgin Islands	US\$1	_	100	Investment holding



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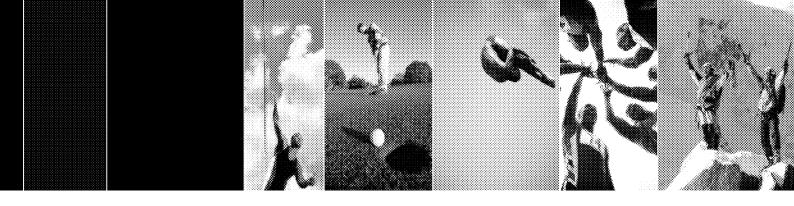
15. Investments in Subsidiaries (Continued)

Name of subsidiary	Place of incorporation/registration	Nominal value of issued share capital	of no value of share ca by the 0	oortion ominal of issued pital held Company Indirectly %	Principal activities
Danthorn Investments Limited	British Virgin Islands	US\$1	_	100	Investment holding
ebizal Limited	Hong Kong	HK\$2	100	-	Investment holding
e2-Capital (HK) Limited (note a)	Hong Kong	HK\$10,000,000	_	100	Provision of corporate finance services in Hong Kong
e2-Capital Brokerage Limited (note a)	Hong Kong	HK\$10,000,000	_	100	Securities broking
e2-Capital Commodities Limited (note a)	Hong Kong	HK\$5,000,000	_	100	Broker of commodities, options and futures
e2-Capital Pte. Ltd.	Singapore	S\$2,500,000	56	-	Provision of corporate finance services in Singapore
e2-Capital Securities Limited (note a)	Hong Kong	HK\$50,000,000	_	100	Securities broking and margin financing
e2-Capital Securities (Holdings) Limited ("e2-Capital Securities")	Cayman Island	HK\$150	-	100	Investment holding
e2-Capital Venture Limited	Cayman Island	ls US\$2	100	-	Venture Capital
e2 Tech Advisory Group Limited	Hong Kong	HK\$1,000	-	100	Technology consulting
Ever Lead Limited	Hong Kong	Ordinary HK\$98 Non-voting deferred HK\$2 (note b)	-	100	Property development

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15. Investments in Subsidiaries (Continued)

	Place of incorporation	Nominal value of issued	Proportion of nominal value of issued share capital held		
Name of subsidiary	registration	share capital	-	Company Indirectly %	Principal activities
Ever Loyal Development Limited	Hong Kong	HK\$2	-	100	Property development
Gain Profits Limited	British Virgin Islands	US\$10,000	_	60.1	Investment holding
Goodwill International (BVI) Limited	British Virgin Islands	US\$1	-	100	Investment holding
Goodwill Investment (BVI) Limited	British Virgin Islands	US\$100	100	-	Investment holding
Goodwill Properties (Holdings) Limited	British Virgin Islands	US\$1	-	100	Investment holding
Goodwill Properties Limited	Hong Kong	HK\$2	-	100	Investment holding
Keith Statham Associates Limited	Hong Kong	HK\$50,000	-	100	Provision of public relations and cultural services
OpenIBN(HK) Limited	Hong Kong	HK\$20,000,000	-	100	Provision of corporate finance services in Hong Kong
Orient World Investment Limited	Hong Kong	HK\$10	_	100	Property development
Right Way Holdings Limited	Hong Kong	HK\$10	-	70	Property development
Shenzhen Shanghong Packing Products Co., Ltd. ("SSPP")	People's Republic of China	RMB4,900,000	-	88	Manufacture and sale of quality plastic and paper boxes for luxury consumer goods



For the year ended 31st December, 2000

15. Investments in Subsidiaries (Continued)

	Place of	Nominal value of	of no	oortion ominal of issued	
Name of subsidiary	incorporation/ registration	issued share capital	by the	pital held Company Indirectly %	Principal activities
Winbox (BVI) Limited	British Virgin Islands	US\$440	_	88	Investment holding
Winbox Company Limited	Hong Kong	Ordinary HK\$5,500,000 Non-voting deferred HK\$5,500,000 (note b)	-	88	Sale of quality plastic and paper boxes for luxury consumer goods
Woodhill Investments Limited (note a)	Hong Kong	HK\$2	-	100	Securities trading

Droportion

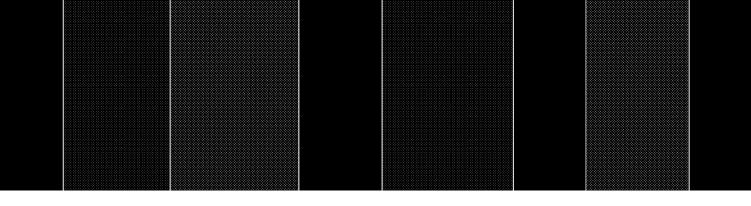
Notes:

- (a) During the year, the Group further acquired the remaining 60% equity interests in e2-Capital Securities previously not held by it. These companies are principal wholly-owned subsidiaries of e2-Capital Securities.
- (b) The non-voting deferred shares are not owned by the Group. These non-voting deferred shares carry no voting rights and are not entitled to participate in the profits of the company.

The Company's principal subsidiaries listed above principally operate in Hong Kong except SSPP and e2-Capital Pte. Ltd. which operate in the People's Republic of China and Singapore respectively.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.



For the year ended 31st December, 2000

16. Investments in Unconsolidated Subsidiaries

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Share of net assets Unamortised goodwill

1999	2000
HK\$'000	HK\$'000
8,675	8,675
1,287	_
9,962	8,675

In 1997, the Group acquired a number of subsidiaries (the "Flourmill Subsidiaries") which are principally engaged in the manufacture and sale of flour in the People's Republic of China for a consideration of approximately HK\$45,060,000. Upon acquisition of the Flourmill Subsidiaries, the Group's stated intention was not to hold more than 50% equity interest of the Flourmill Subsidiaries for long term and also did not actively participate in the daily management of the Flourmill Subsidiaries. This intention remains and the Group had continued during the last two years to actively negotiate with potential investors for the disposal of the other 50% equity interest in the Flourmill Subsidiaries. As such, 50% of the investment cost of approximately HK\$22,530,000 (1999: HK\$22,530,000), net of a write down amounted to HK\$13,855,000 (1999: HK\$12,568,000), is still classified as other investments in current assets.

Subsequent to the balance sheet date, the Group's entire interest in the Flourmill Subsidiaries was disposed of to an independent third party. Details are set out in note 43.

Based on the above reasons, the financial statements of these subsidiaries have not been consolidated. In the opinion of the directors, it would be inappropriate and misleading to consolidate the Flourmill Subsidiaries.