

RESULTS

The Board of directors of China United Holdings Limited (the "Company") is pleased to announce that the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2000, together with comparative figures for the corresponding period of the previous year, are as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2000

		For the six months ended	
		30 September 2000	30 September 1999
	Notes	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Turnover	2	231,287	38,064
Other revenues		7,433	3,721
Cost of marketable securities sold		(194,492)	(109)
Raw materials and consumables used		-	(17,679)
Changes in inventories of finished goods and work in progress		-	(4,241)
Depreciation and amortisation expenses		(20,114)	(8,271)
Staff costs		(14,733)	(4,977)
Other operating expenses	3	(126,728)	(82,724)
Loss from operations	4	(117,347)	(76,216)
Gain on dilution of interest in a subsidiary		2,149	-
Provision for diminution in value of other securities	9	(101,716)	-
Loss on disposal of an associate		-	(94,829)
Net loss on disposals of interests in subsidiaries		-	(6,150)
Finance costs		(27,187)	(36,615)
Share of results of associates		(97)	9,664
Loss before taxation		(244,198)	(204,146)
Taxation	5	80	(728)
Loss after taxation		(244,118)	(204,874)
Minority interests		75,172	60
Loss for the period attributable to shareholders		(168,946)	(204,814)
Loss per share - Basic	6	2.03 cents	17.14 cents

The accompanying notes form an integral part of these unaudited condensed financial statements.

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 September 2000

		30 September 2000 HK\$'000 (Unaudited)	31 March 2000 HK\$'000
Notes			
ASSETS AND LIABILITIES			
Non-current assets			
	7	256,497	253,120
Investment properties			
Property, plant and equipment	7	381,752	342,930
Goodwill	8	252,111	–
Interests in associates		81,647	93,822
Investments in securities	9	83,217	101,140
Other long term assets		6,000	20,400
Loan receivable		2,000	2,000
		<u>1,063,224</u>	<u>813,412</u>
Current assets			
	10	71,688	10,762
Trade and other receivables			
Short term loans receivable	11	266,321	47,788
Investments in securities	9	197,249	42,220
Pledged bank deposit		8,000	–
Bank balances and cash		91,080	47,625
		<u>634,338</u>	<u>148,395</u>
Current liabilities			
	12	67,313	75,462
Trade and other payables			
Deposits received	13	99,569	1,168
Amounts due to minority shareholders of subsidiaries		7,754	7,754
Taxation payable		2,705	3,972
Obligations under hire purchase contracts – due within one year		127	176
Bank and other borrowings – due within one year		<u>241,115</u>	<u>238,730</u>
		<u>418,583</u>	<u>327,262</u>
Net current assets/(liabilities)		<u>215,755</u>	<u>(178,867)</u>
Total assets less current liabilities carried forward		<u>1,278,979</u>	<u>634,545</u>

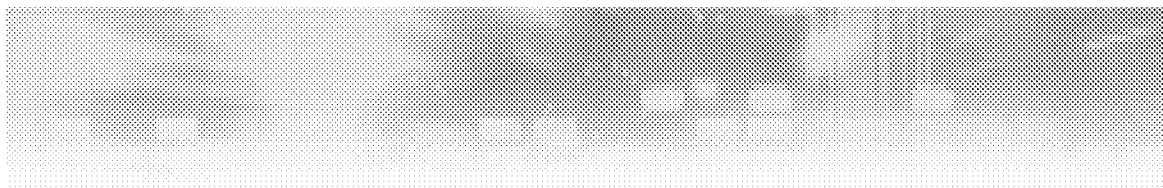
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CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 September 2000

		30 September 2000	31 March 2000
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<i>(Unaudited)</i>	
Total assets less current liabilities brought forward		<u>1,278,979</u>	<u>634,545</u>
Minority interests		<u>196,949</u>	<u>–</u>
NON-CURRENT LIABILITIES			
Obligations under hire purchase contracts – due after one year		338	347
Bank borrowings – due after one year		<u>329,065</u>	<u>316,175</u>
		<u>329,403</u>	<u>316,522</u>
NET ASSETS		<u><u>752,627</u></u>	<u><u>318,023</u></u>
CAPITAL AND RESERVES			
Share capital	14	99,739	311,902
Reserves	15	<u>652,888</u>	<u>6,121</u>
SHAREHOLDERS' FUNDS		<u><u>752,627</u></u>	<u><u>318,023</u></u>

The accompanying notes form an integral part of these unaudited condensed financial statements.



CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the six months ended 30 September 2000 HK\$'000 (Unaudited)
Net cash outflow from operating activities	(323,457)
Net cash outflow from returns on investments and servicing of finance	(41,852)
Tax paid	(3,517)
Net cash outflow from investing activities	<u>(319,868)</u>
Net cash outflow before financing	(688,694)
Net cash inflow from financing	<u>728,643</u>
Increase in cash and cash equivalents	39,949
Cash and cash equivalents as at 1 April 2000	<u>47,625</u>
Cash and cash equivalents as at 30 September 2000	<u><u>87,574</u></u>
	30 September 2000 HK\$'000 (Unaudited)
Analysis of cash and cash equivalents	
Bank balances and cash	91,080
Bank overdraft	<u>(3,506)</u>
	<u><u>87,574</u></u>

**CONDENSED CONSOLIDATED STATEMENT
OF RECOGNISED GAINS AND LOSSES**

For the six months ended
30 September 2000
HK\$'000
(Unaudited)

Deficit on revaluation of other securities not recognised in income statement	(25,475)
Net loss for the period	<u>(168,946)</u>
Total recognised losses for the six months ended 30 September 2000	(194,421)
Capital reserve arising from acquisition of additional interest in a subsidiary	<u>8,573</u>
	<u><u>(185,848)</u></u>