

SUPPLEMENTARY INFORMATION (UNAUDITED)***Extract of Condensed Consolidated Balance Sheet***

	30 June 2001 HK\$'000	31 December 2000 HK\$'000
NON-CURRENT ASSETS	2,128,942	2,397,160
CURRENT ASSETS	3,078,353	3,105,048
CURRENT LIABILITIES	(1,495,939)	(1,472,514)
NET CURRENT ASSETS	1,582,414	1,632,534
TOTAL ASSETS LESS CURRENT LIABILITIES	3,711,356	4,029,694
CAPITAL AND RESERVES	3,145,046	3,071,943
NON-CURRENT LIABILITIES	367,539	766,923
MINORITY INTERESTS	198,771	190,828
	3,711,356	4,029,694

Segmental information**(a) By geographical area**

Over 90% of the Group's revenue, results, assets and off-balance sheet commitments and exposures are derived from operations carried out in Hong Kong SAR.

(b) By class of business

	For the six months ended 30 June 2001 Operating revenue HK\$'000	Profit before tax HK\$'000	30 June 2001 Total Assets HK\$'000
Personal and commercial lending	574,068	289,988	5,055,354
Taxi trading and related operations, and other businesses	16,939	985	151,941
	591,007	290,973	5,207,295

	For the six months ended 30 June 2000 Operating revenue HK\$'000	Profit before tax HK\$'000	30 June 2000 Total Assets HK\$'000
Personal and commercial lending	543,082	231,342	5,236,360
Taxi trading and related operations, and other businesses	10,545	3,175	160,424
	553,627	234,517	5,396,784

(c) Advances to customers by industry sectors and basis of classification

	30 June 2001	31 December 2000
	30 June 2001	31 December 2000
	HK\$'000	HK\$'000
Loans for use in Hong Kong		
Industrial, commercial and financial:		
- Property development	16,253	17,213
- Property investment	83,965	87,825
- Wholesale and retail trade	6,837	7,725
- Manufacturing	9,252	14,497
- Licenced public vehicles	738,714	936,238
- Others	23,912	26,478
Individuals:		
- Loans for the purchase of residential properties	84,261	110,567
- Credit card advances	10,329	11,617
- Others	2,734,768	2,785,186
Loans for use outside Hong Kong	93,525	114,500
	3,801,816	4,111,846

The advances to customers are classified by industry sectors based on the industry in which the loans granted were used. In those cases where loans cannot be classified with reasonable certainty, they are classified according to the known principal activity of the borrowers or by reference to the assets financed according to the loan documentation.

Credit risk and policy

Credit risk is the risk associated with a customer or counterparty being unable to meet a commitment when it falls due, and arises from the lending activities undertaken.

JCG Finance, a wholly-owned subsidiary, has established policies and systems for the monitoring and control of credit risk. The Credit Committee is responsible for the formulation of credit policies and management of credit risk through reviews of regular reports on credit exposures, which include exposure limits and the level of bad debt provisions. JCG Finance maintains a stringent control on loan assessments and approvals and will continue to pursue a conservative and prudent policy in granting loans in order to maintain a quality loan portfolio.

Winton Financial Limited and Winton Financial (Factoring) Limited, both wholly-owned subsidiaries of Winton Group, maintain a system of controls on loan assessments and approval, and will continue to pursue a conservative and prudent policy in granting loans. The directors and the senior management of Winton Group are responsible for the formulation of credit policies and management of credit risk through reviews of regular reports on credit exposures and the level of bad debt provisions.

Market risk

The Group's policy to market risk is essentially the same as that disclosed in the Company's 2000 Annual Report. During the period, JCG Finance and Winton Group did not trade in any market risk related financial instruments. The market risk exposure of the Group arising from both on and off balance sheet activities was considered immaterial. Accordingly, quantitative market risk information is not disclosed.

Capital adequacy and liquidity ratios

	As at 30 June 2001 Unadjusted ratio	As at 31 December 2000 Unadjusted ratio
Capital adequacy ratio	64.68%	63.61%
	For the six months ended 30 June 2001	2000
Average liquidity ratio	181.98%	135.84%

The components of JCG Finance's total capital base after deductions include the following items:

	30 June 2001 HK\$'000	31 December 2000 HK\$'000
Core capital		
Paid up ordinary share capital	258,800	258,800
Reserves (eligible for inclusion in core capital)	1,838,102	1,783,213
	2,096,902	2,042,013
Eligible supplementary capital		
Reserve on revaluation of securities not held for trading purposes	7,649	9,903
General provisions for doubtful debts	43,123	42,778
	50,772	52,681
Total capital base before deductions	2,147,674	2,094,694
Deductions from total capital base	(10)	(10)
Total capital base after deductions	2,147,664	2,094,684

The above unadjusted capital adequacy ratio, being that of JCG Finance, is computed on a consolidated basis (including JCG Securities Limited and Funds Fit Limited) in accordance with the Third Schedule of the Banking Ordinance.

The adjusted capital adequacy ratio is not disclosed herein as the market risk arising from JCG Finance's trading book is regarded as immaterial. JCG Finance meets all of the de minimis exemption criteria for reporting market risk as set out in the guideline "Maintenance of Adequate Capital Against Market Risks" issued by the Hong Kong Monetary Authority and has relied on such criteria in considering the materiality of market risk arising from its trading book.

The above average liquidity ratio for the period, being that of JCG Finance, is computed in accordance with the Fourth Schedule of the Banking Ordinance.

INTERIM DIVIDEND

The Directors have declared an interim dividend of 8.5 cents (2000: 8.0 cents) per share payable on 30 August 2001 to shareholders whose names appear on the Register of Members of the Company on 17 August 2001.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from 13 August 2001 to 17 August 2001, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tengis Limited at 4/F, Hutchison House, 10 Harcourt Road, Central, Hong Kong for registration no later than 4:00 p.m. on 10 August 2001.