



SOUTH CHINA INDUSTRIES LIMITED

(Incorporated in the Cayman Islands with limited liability)

2001 INTERIM REPORT

GROUP RESULTS

The Directors of South China Industries Limited (the “Company”) announce that the unaudited results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2001 are as follows:-

CONDENSED CONSOLIDATED INCOME STATEMENT

		(Unaudited)	
		Six months ended 30 June	
		2001	2000
	Notes	HK\$'000	HK\$'000
Turnover	2	554,863	748,421
Cost of sales		<u>(502,543)</u>	<u>(650,940)</u>
Gross profit		52,320	97,481
Other revenue		9,318	4,825
Distribution and selling expenses		(26,822)	(23,948)
General and administrative expenses		<u>(104,571)</u>	<u>(103,850)</u>
Loss from operations	3	(69,755)	(25,492)
Finance cost		(9,158)	(8,010)
Gain on disposal of interest in a subsidiary		—	23,279
Gain on disposal/dilution of interest in an associate		—	32,261
Gain on disposal of long-term listed investments		—	3,073
Share of results of associates		723	(10,733)
(Loss) Profit before taxation		(78,190)	14,378
Taxation	4		
Company and subsidiaries		(32,762)	(2,268)
Associates		<u>(239)</u>	<u>—</u>
(Loss) Profit before minority interests		(111,191)	12,110
Minority interests		<u>54,018</u>	<u>3,859</u>
(Loss) Profit attributable to shareholders		(57,173)	15,969
Retained profit, beginning of year		345,172	328,199
Dividends	5	—	(1,061)
Transfer from special reserve		—	10,234
Transfer to statutory reserves		(474)	(584)
Retained profit, end of period		<u>287,525</u>	<u>352,757</u>
Basic (loss) earnings per share	6	<u>(HK10.8) cents</u>	<u>HK3.0 cents</u>