



SOUTH CHINA HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

2001 INTERIM REPORT

UNAUDITED INTERIM RESULTS

The Directors of South China Holdings 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

		Six months ended 30 June	
		2001	2000
		Unaudited	Unaudited
	<i>Notes</i>	HK\$'000	<i>HK\$'000</i>
Turnover	2	771,044	1,037,570
Cost of sales		(652,557)	(796,216)
Gross profit		118,487	241,354
Other revenue		10,198	12,827
Distribution and selling expenses		(32,307)	(29,400)
Administrative and operating expenses		(251,126)	(232,483)
Gain on placement of warrants by a listed subsidiary		63,050	—
Impairment in fair value of long-term investments		(3,053)	—
Increase (Decrease) in fair values of short-term investments		118,547	(20,619)
Profit (Loss) from operations	3	23,796	(28,321)
Finance cost		(11,508)	(10,806)
Gain on disposal of interest in a subsidiary		—	23,279
Gain on disposal 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)
Profit before taxation		13,011	8,753
Taxation	4		
Company and subsidiaries		(36,454)	(3,008)
Associates		(239)	—
(Loss) Profit before minority interests		(23,682)	5,745
Minority interests		37,314	(4,198)
Profit attributable to shareholders		13,632	1,547
Interim dividend	5	1,823	22,783
Transfer (to) from reserves	6	(987)	7,212
Earnings per share	7		
Basic		HK2.99 cents	HK0.34 cents