

Notes on the unaudited interim financial report

(Expressed in Hong Kong dollars)

未經審核中期財務報告附註

(以港元列值)

1 Basis of preparation

This interim financial report is unaudited, but has been reviewed in accordance with Statement of Auditing Standards 700 “Engagements to review interim financial reports”, issued by the Hong Kong Society of Accountants (“HKSA”) by KPMG, except that they have not reviewed the comparative information relating to the six months ended 30 June 2000. KPMG’s review report to the board of directors is included on pages 31 and 32.

The interim financial report has been prepared in accordance with the requirements of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (“HKSE”), including compliance with Statement of Standard Accounting Practice (“SSAP”) 25 “Interim financial reporting” issued by the HKSA, except that comparative figures for the cash flow statement have not been prepared as the Company has taken advantage of the transitional provisions set out in the Main Board Listing Rules.

The financial information relating to the financial year ended 31 December 2000 included in the interim financial report does not constitute the Company’s statutory accounts for that financial year but is derived from those accounts. Statutory accounts for the year ended 31 December 2000 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those accounts in their report dated 23 April 2001.

The accounting policies and method of computation used in the preparation of the interim financial report are consistent with those used in the annual accounts for the year ended 31 December 2000 except for the changes in accounting policies as described in note 2 below.

1. 編製基準

本中期財務報告乃未經審核，但已根據香港會計師公會頒佈之《核數準則》第700條－「中期財務報告的審閱」之規定，由畢馬威會計師事務所審閱，惟彼等並無審閱有關截至二零零零年六月三十日止六個月之比較資料。畢馬威會計師事務所向董事會發出之審閱報告載於第31頁及32頁。

中期財務報告根據香港聯合交易所有限公司（「香港聯交所」）主板上市規則之規定編製，包括遵照香港會計師公會頒佈之會計實務準則第25條「中期財務報告」之規定，惟由於公司引用主板上市規則之過渡規定，故現金流量表並無編製比較數字。

中期財務報告所載截至二零零零年十二月三十一日止財政年度之財務資料並不屬於本公司之法定帳目，惟摘錄自該等賬目。截至二零零零年十二月三十一日止年度之法定帳目，可於公司之註冊辦事處查閱。核數師於二零零一年四月二十三日發出之報告中就該等帳項發表無保留意見。

除下文附註2所闡釋會計政策之更改外，編製中期財務報告所用之會計政策及計算方法與截至二零零零年十二月三十一日止年度之年度帳項所用者一致。

2. Changes in accounting policies

(a) SSAP 30 “Business Combinations”

Goodwill arising on consolidation represents the excess of the Group's share of the fair value of the separable net assets of the subsidiaries and associates at the respective acquisition dates over the cost of investments in these companies. In prior years, goodwill arising on consolidation was taken to capital reserve in the year in which it arose. With effect from 1 January 2001, with the introduction of SSAP 30 issued by the HKSA, the Group adopted a new accounting policy to recognise goodwill arising on consolidation as an asset in the consolidated balance sheet and to amortise it to the consolidated profit and loss account on a straight-line basis over its estimated useful life. On disposal of a subsidiary or an associate, any attributable amount of goodwill not previously amortised through the consolidated profit and loss account is included in the calculation of the gain or loss on disposal. The Group has taken advantage of the transitional provisions in SSAP 30 which do not require restatement of goodwill taken to reserve prior to 1 January 2001, and there is no financial effect to the Group for the prior periods. If the Group chooses to adopt SSAP 30 retrospectively, goodwill of \$9.9 million will be capitalised as assets in the consolidated balance sheet as at 30 June 2001 (31 December 2000: \$10.7 million) and \$0.8 million is amortised in the consolidated profit and loss account for the six months ended 30 June 2001 (2000: \$6.7 million).

2. 會計政策之更改

(a) 會計實務準則第30條「業務合併」

在綜合時所產生之商譽指集團於收購附屬公司及聯營公司當日分佔該間附屬公司及聯營公司的資產淨值的公平價值比投放於該等公司的投資成本高出的數額。於過往年度，在綜合時所產生之商譽於商譽產生之年度計入資本儲備。由二零零一年一月一日起，隨著香港會計師公會頒佈會計實務準則第30條，集團採用了一項新的會計政策，將在綜合時所產生之商譽，於綜合資產負債表確認為一項資產，並以直線法按其估計可使用年期在綜合損益表內攤銷。在出售附屬公司或聯營公司時，先前未透過綜合損益表攤銷的任何應佔商譽數額，會納入出售收益或虧損之計算內。本集團已利用會計實務準則第30條之過渡規定，該條規定無需就二零零一年一月一日前撥入儲備內之商譽重報，故此不會對本集團以往期間造成財務影響。如本集團選擇採納具有追溯效力的會計實務準則第30條，則本集團會將9,900,000元的商譽撥充資產計入二零零一年六月三十日的綜合資產負債表內（於二零零零年十二月三十一日：10,700,000元），而有800,000元於截至二零零一年六月三十日止六個月的綜合損益表內攤銷（二零零零年：6,700,000元）。

2. Changes in accounting policies (continued)

(b) SSAP 31 “Impairment of assets”

Under SSAP 31, the Group should assess at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group should estimate the recoverable amount of the asset. Recoverable amount is the higher of an asset's net selling price and its value in use. Impairment losses should be recognised in the profit and loss account. However, any impairment arising on goodwill previously written off against reserves may be treated as a change in accounting policy in accordance with SSAP 2 “Net profit or loss for the period, fundamental errors and change in accounting policies”. As a result of this change, accumulated losses at 31 December 2000 were restated and increased by \$12.2 million representing an impairment loss on goodwill written off to the prior year's consolidated profit and loss account.

2. 會計政策之更改（續）

(b) 會計實務準則第31條「資產減值」

根據會計實務準則第31條，本集團須於各結算日評估旗下資產有否出現耗損跡象。倘出現耗損，本集團須估計資產之可收回金額。可收回金額乃指資產淨售價或其可使用價值（以較高者為準）。減值虧損須於損益表內確認。然而，較早前於儲備內撇銷商譽而產生之減值，可按照會計實務準則第2條「期內溢利或虧損淨額，以及重大錯誤及會計政策之更改」，視作會計政策之更改。鑑於此項變動，於二零零零年十二月三十一日之累積虧損已重報，其數額已增加12,200,000元，為上年度綜合損益表所撇銷之商譽減值虧損。

3. Segmental information

The analysis of the principal activities and geographical locations of the operations of the Company and its subsidiaries during the financial period are as follows:

3. 分類資料

本公司及其附屬公司於本財政期間內按主要業務及地區劃分之業務分析如下：

		Group turnover Six months ended 30 June 本集團營業額 截至六月三十日止六個月		Profit from ordinary activities before taxation Six months ended 30 June 一般業務除稅前 溢利 截至六月三十日止六個月	
		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元	2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Principal activities	主要業務				
Continuing operations:	持續業務：				
Sales of watches and timepieces	銷售鐘錶及時計產品	31,715	29,087	8,735	7,006
Property investments	物業投資	2,380	3,170	(3,053)	(1,508)
Other group income/ (expenses)	其他集團收入／（費用）	—	—	3,110	(15,386)
		34,095	32,257	8,792	(9,888)
Deficit on revaluation of investment properties	投資物業之重估虧絀	—	—	(2,300)	—
Share of profits less losses of associates	所佔聯營公司溢利減虧損	—	—	412	(7,784)
		34,095	32,257	6,904	(17,672)
Discontinued/ discontinuing operations:	已終止／終止中業務：				
Sales of goods	貨品銷售				
– computer keyboards	– 電腦鍵盤	—	128,807	—	(5,525)
– communication equipment	– 通訊設備	—	26,772	—	(4,515)
		—	155,579	—	(10,040)
Provision for trade receivables	應收帳款撥備	—	—	—	(24,000)
Gain on disposal of subsidiary	出售附屬公司收益	—	—	—	55,697
		—	155,579	—	21,657
		34,095	187,836	6,904	3,985

3. Segmental information (continued)

3. 分類資料 (續)

		Group turnover 本集團營業額	
		Six months ended 30 June 截至六月三十日止六個月	
		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Geographical locations of operations	業務地區		
Continuing operations:	持續業務:		
People's Republic of China ("PRC")	中華人民共和國 (「中國」)		
– Hong Kong	– 香港	1,812	3,717
– Other parts of the PRC	– 中國內地 其他地區	32,283	28,540
		34,095	32,257
Discontinued/discontinuing operations:	已終止／終止中業務:		
– Other parts of the PRC	– 中國內地 其他地區	–	155,579
		34,095	187,836

4. Other revenue

4. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Interest income	利息收入	13,462	2,968
PRC value added tax exempted	中國增值稅豁免	2,916	3,152
Investment and other income	投資及其他收入	2,922	1,059
		19,300	7,179

5. Gain on disposal of subsidiary

On 15 January 2000, the Group entered into a sale and purchase agreement with an independent party. The total consideration paid by the vendor of RMB30 million (\$28 million equivalent) was satisfied by the issue of 168,104 shares at market value of US\$21.6 (\$167.8 equivalent) for the 65% of interest in China Everbright Telecom-Land Network Limited. Upon the completion of this transaction, the Group's interest in the communication equipment business was reduced from 75% to 35%. The attributable amount of such consideration to the Group is approximately \$17 million.

5. 出售附屬公司收益

於二零零零年一月十五日，本集團與一獨立人士訂立一項買賣協議。賣方所付一筆為數人民幣30,000,000元（相等於28,000,000元）之總代價已透過按21.6美元（相等於167.8元）市值發行168,104股股份償付，以取得中國光大通訊天地網絡系統有限公司65%股權。是項交易完成後，本集團於通訊設備業務之權益已由75%減少至35%。本集團應佔該筆代價之金額約17,000,000元。

6. Profit from ordinary activities before taxation

Profit from ordinary activities before taxation is arrived at after charging:

6. 一般業務除稅前溢利

一般業務除稅前溢利已扣除下列各項：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2001	2000
		二零零一年	二零零零年
		\$'000	\$'000
		千元	千元
Interest on bank loans and overdrafts	銀行貸款及透支之利息	2,476	714
Depreciation	折舊	3,496	11,043
Loss on disposal of investment properties	出售投資物業之虧損	120	-
Provision for diminution in value of investment in equity securities	股本證券投資減值撥備	-	15,000

7. Taxation

7. 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2001 二零零一年 \$'000 千元	2000 二零零零年 \$'000 千元
Provision for Hong Kong profits tax for the period	本期間香港利得稅撥備	37	224
Provision for income tax outside Hong Kong in the PRC for the period	本期間中國(香港除外)所得稅撥備	919	882
		956	1,106
Share of associates' taxation	所佔聯營公司稅項	374	404
		1,330	1,510

The provision for Hong Kong profits tax is calculated at 16% (2000: 16%) of the estimated assessable profits for the six months ended 30 June 2001. Taxation for PRC subsidiaries is similarly charged at the appropriate current rates of taxation ruling in the PRC.

In the opinion of the directors, the deficit arising on revaluation of investment properties situated in Hong Kong does not constitute a timing difference for tax purposes. In addition, the directors are of the opinion that the Group has no intention to dispose of its investment properties situated in the PRC in the foreseeable future. Accordingly, no deferred taxation has been provided on the revaluation deficit of these property interests.

The Group had no significant unprovided deferred taxation for the period or at the balance sheet date.

香港利得稅撥備以截至二零零一年六月三十日止六個月的估計應課稅溢利按16%(二零零零年:16%)稅率計算。中國附屬公司之稅項以中國現行適用稅率按有關規定計算。

董事認為,重估位於香港之投資物業價值所產生之虧絀在稅務上並不構成時差。此外,董事認為本集團無意於可見將來出售名下位於中國之投資物業。因此,並無就此等物業權益之重估虧絀提撥遞延稅項。

於本期間內或於結算日,本集團並無任何未撥備之重大遞延稅項。

8. Dividend

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2001 (2000: Nil).

9. Basic earnings per share

The calculation of basic earnings per share is based on the profit for the period of \$5,551,000 (2000: \$2,475,000) and the weighted average of 1,556,264,989 ordinary shares (2000: 1,544,363,526 shares) in issue during the period.

Diluted earnings per share is not shown as the potential ordinary shares were anti-dilutive.

10. Fixed assets

Investment properties of the Group were revalued at 30 June 2001 by the directors, who are not qualified valuers, on an open market value basis. A deficit of \$2,300,000 arising on revaluation has been charged to the consolidated profit and loss account.

8. 股息

董事會並不建議派發截至二零零一年六月三十日止六個月之中期股息(二零零零年:無)

9. 每股基本盈利

每股基本盈利乃根據本期間溢利5,551,000元(二零零零年:2,475,000元)及於本期間已發行普通股之加權平均數1,556,264,989股(二零零零年:1,544,363,526股)計算。

由於潛在普通股無攤薄效應,故並無呈列每股攤薄盈利。

10. 固定資產

本集團之投資物業已由董事(彼等並非合資格估值師)於二零零一年六月三十日按公開市場價值重估。重估虧絀2,300,000元已計入綜合損益表。

11. Interest in associates/investment securities

Cokin Limited, a former associate of the Group and a company incorporated in the British Virgin Islands, held approximately 20% interest in Chevalier iTech Holdings Limited (“Chevalier”). Apart from the investment in Chevalier, Cokin Limited had no other business activities. Chevalier is a company listed on the HKSE which is engaged in the supply, installation and servicing of computer equipment, telecommunication systems and office automation system. Cokin Limited was voluntarily wound up in March 2001 and the Group’s attributable interest in Chevalier was transferred to Everbright Creation International Limited, a wholly owned subsidiary of the Group. Following the transaction, the Group was unable to exercise indirect significant influence over the financial and operating decision of Chevalier. Accordingly, the Group ceased to equity account for the results of Chevalier and classified its interest in Chevalier as investment securities intended to be held on a continuing basis. The Group’s share of net assets of Chevalier as at 31 March 2001 together with the related exchange reserve written back were considered as the deemed cost of the investment securities on that date. Such investment securities are stated at cost less any provisions for diminution in value which are other than temporary in the consolidated balance sheet.

11. 所佔聯營公司權益／投資證券

本集團前聯營公司Cokin Limited為一間於英屬處女群島註冊成立之公司，持有其士科技控股有限公司（「其士」）約20%權益。除投資其士外，Cokin Limited概無經營其他業務。其士為香港聯交所上市公司，從事電腦設備、電訊系統及辦公室自動化系統之供應、安裝及維修服務。Cokin Limited已於二零零一年三月自動清盤，而本集團所持有的其士權益已轉往本集團全資附屬公司Everbright Creation International Limited。在進行此項交易後，本集團未能對其士的財務及營運決策行使重大之間接影響力。因此，本集團已終止以權益法計入其士的業績，並將所持其士權益分類為繼續持有之投資證券。本集團於二零零一年三月三十一日所佔其士資產淨值連同有關之滙兌儲備撥回乃被視作為該日之投資證券成本。該批投資證券以成本值減任何非暫時性減值撥備後列入綜合資產負債表。

11. Interest in associates/investment securities (continued) **11. 所佔聯營公司權益／投資證券（續）**

		At 30 June 2001 於二零零一年 六月三十日 \$'000 千元	At 31 December 2000 於二零零零年 十二月三十一日 \$'000 千元
Equity securities listed in Hong Kong	於香港上市的股本證券	40,006	—
Market value	市值	30,629	—

12. Other investments

12. 其他投資

		At 30 June 2001 於二零零一年 六月三十日 \$'000 千元	At 31 December 2000 於二零零零年 十二月三十一日 \$'000 千元
At market value	按市值		
Debt securities listed outside Hong Kong	於香港以外地區 上市之債務證券	—	92,563
Equity securities listed outside Hong Kong	於香港以外地區 上市之股本證券	829	829
		829	93,392

13. Trade and other receivables

Included in trade and other receivables are trade debtors (net of specific provisions for bad and doubtful debts) with the following ageing analysis:

13. 應收帳款及其他應收款

包括於應收帳款及其他應收款內的應收帳款（已減呆壞帳的特定撥備）的帳齡分析如下：

		At 30 June 2001 於二零零一年 六月三十日 \$'000 千元	At 31 December 2000 於二零零零年 十二月三十一日 \$'000 千元
Trade debtors	應收帳款		
– Current	– 現期	6,706	4,458
– 1 to 6 months overdue	– 逾期1至6個月	856	138
– More than 6 months overdue but less than 12 months overdue	– 逾期6個月以上 但少於12個月	350	942
		7,912	5,538
Amount receivable in respect of the sale of a subsidiary	有關出售附屬公司 之應收款	66,666	75,692
Prepayments and deposits paid	已付預付款及按金	6,675	11,356
Other receivables	其他應收款	1,880	2,599
		83,133	95,185

Trade debts are due after 1 month from the date of billings. Trade debtors with balances that are more than 3 months overdue are requested to settle all outstanding balances before any further credit is granted.

帳項於帳單日期一個月後到期。倘應收帳款結餘逾期三個月以上，須先償還欠款後才再給予任何進一步信貸。

14. Cash and cash equivalents

14. 現金及現金等價物

		At 30 June 2001 於二零零一年 六月三十日 \$'000 千元	At 31 December 2000 於二零零零年 十二月三十一日 \$'000 千元
Deposits with banks and other financial institutions	在銀行及其他 金融機構之存款	217,042	193,106
Cash at bank and in hand	銀行結存及現金	38,952	19,110
		255,994	212,216

15. Trade and other payables

15. 應付帳款及其他應付款

		At 30 June 2001 於二零零一年 六月三十日 \$'000 千元	At 31 December 2000 於二零零零年 十二月三十一日 \$'000 千元
Trade creditors	應付帳款	8,842	6,195
Accrued expenses	應計費用	4,139	2,812
Deposits received	已收預付款	5,875	5,919
Other payables	其他應付款	10,873	10,845
		29,729	25,771

All trade creditors are due within 3 months.

所有應付帳款將於三個月內到期。

16. Share capital

16. 股本

		At 30 June 2001 於二零零一年六月三十日		At 31 December 2000 於二零零零年十二月三十一日	
		No. of shares 股份數目	Amount 金額 \$'000 千元	No. of shares 股份數目	Amount 金額 \$'000 千元
Authorised:	法定：				
Ordinary shares of \$0.10 each	每股面值0.10元之普通股	<u>2,000,000,000</u>	<u>200,000</u>	<u>2,000,000,000</u>	<u>200,000</u>
Issued and fully paid:	已發行及悉數繳足：				
At 1 January	於一月一日	1,560,220,669	156,022	1,486,220,669	148,622
Shares (repurchased)/ issued	已(購回)/已發行股份	<u>(5,090,000)</u>	<u>(509)</u>	<u>74,000,000</u>	<u>7,400</u>
At 30 June/31 December	於六月三十日/十二月三十一日	<u>1,555,130,669</u>	<u>155,513</u>	<u>1,560,220,669</u>	<u>156,022</u>

During the period, the company repurchased its own shares on the HKSE as follows:

於本期間內本公司於香港聯交所購回其本身之股份如下：

Month/year 年份／月份	Number of shares repurchased 購回之股 份數目	Highest price paid per share 支付之每股 最高股價 \$ 元	Lowest price paid per share 支付之每股 最低股價 \$ 元	Aggregate price paid 支付之 價格總額 \$'000 千元
January 2001 二零零一年一月	3,100,000	0.40	0.39	1,237
March 2001 二零零一年三月	<u>1,990,000</u>	0.40	0.40	<u>796</u>
	<u>5,090,000</u>			<u>2,033</u>

16. Share capital (continued)

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these shares. Pursuant to section 37 of the Companies Law (2001 Second Revision) of the Cayman Islands, the premium paid on the repurchase of the shares of \$1,524,000 was charged to the share premium account (note 18).

17. Share option scheme

At January 2001, the Company had a share option scheme in which the board of directors of the Company may grant options to employees of the Company and its subsidiaries, including directors, to subscribe for shares in the Company. The share option scheme was terminated on 25 May 2001 and replaced by a new share option scheme ("the New Scheme"), details of which are the same as the old one. The outstanding options of 18,000,000 at 25 May 2001 were cancelled upon the termination of the old share option scheme. The New Scheme will remain in force for a period of ten years commencing on 25 May 2001. Under the existing rules, the subscription price will be the higher of 80% of the average of the closing prices of the shares of the Company on the HKSE on the five trading days immediately preceding the date of grant of the option and the nominal value of the shares. Each option gives the holder the right to subscribe for one share. During the period, no options were granted or exercised under the share option scheme.

The HKSE has recently amended the rules that the exercise price must be at least the higher of:

- (i) the closing price of the securities as stated in the HKSE's daily quotations sheet on the date of grant, which must be a business day; and
- (ii) the average closing price of the securities as stated in the HKSE's daily quotations sheets for the five business days immediately preceding the date of grant.

The Company is considering to revise the rules of the New Scheme in due course.

16. 股本（續）

由於所購回股份已註銷，本公司已發行股本因此等股份的面值而相應地減低。根據開曼羣島公司法（二零零一年第二修訂版）第37條，購回股份所付的溢價1,524,000元已計入股份溢價帳內（附註18）。

17. 優先認購股份權計劃

於二零零一年一月，本公司設有一項優先認購股份權計劃。據此，本公司董事會可向本公司及其附屬公司之僱員（包括董事在內）授予可認購本公司股份之優先認購股份權。優先認購股份權計劃已於二零零一年五月二十五日終止，並由一項新的優先認購股份權計劃（「新計劃」）所取代。新計劃的詳情與舊計劃相同。於二零零一年五月二十五日尚未行使之18,000,000份優先認購股份權在終止原有優先認購股份權計劃後註銷。新計劃由二零零一年五月二十五日起有效為期十年。根據現時規定，認購價為本公司股份於授出優先認購股份權日期前五個交易日，在香港聯交所之平均收市價80%或股份面值（以較高者為準）。每份優先認購股份權給予持有人權利認購1股股份。於本期間內，並無任何優先認購股份權被授出或獲行使。

香港聯交所最近修訂有關規則，規定行使價最低必須為（以較高者為準）：

- (i) 授出當日（必須為營業日）香港聯交所每日報價表所載之證券收市價；及
- (ii) 緊接授出當日前五個營業日香港聯交所每日報價表所載之證券平均收市價。

本公司現正考慮在適當時重新修訂新計劃之條例。

18. Reserves

18. 儲備

		Share premium	Goodwill arising on consolidation	Statutory reserves (note i) (附註i)	Exchange reserve	Accumulated losses	Total
		股份溢價	綜合帳項所 產生之商譽	法定 儲備基金	匯兌儲備	累積虧損	總額
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
At 1 January 2001	於二零零一年 一月一日						
– as previously stated	– 如前呈報	681,643	(27,541)	1,785	(268)	(296,916)	358,703
– prior year adjustment	– 上年度調整	–	12,241	–	–	(12,241)	–
		<u>681,643</u>	<u>(15,300)</u>	<u>1,785</u>	<u>(268)</u>	<u>(309,157)</u>	<u>358,703</u>
– as restated	– 重報	681,643	(15,300)	1,785	(268)	(309,157)	358,703
Purchase of own shares	購回本身股份						
– premium paid	– 已付溢價	(1,524)	–	–	–	–	(1,524)
Exchange differences on translation of accounts of PRC subsidiaries	換算中國附屬 公司帳項時產生 之滙兌差額	–	–	–	27	–	27
Share of exchange reserve of an associate	應佔聯營公司 滙兌儲備	–	–	–	16	–	16
Written back (note 11)	撥回 (附註11)	–	–	–	519	–	519
Profit for the period	本期間溢利	–	–	–	–	5,551	5,551
		<u>680,119</u>	<u>(15,300)</u>	<u>1,785</u>	<u>294</u>	<u>(303,606)</u>	<u>363,292</u>
At 30 June 2001	於二零零一年 六月三十日						

(i) These are statutory reserves of PRC subsidiaries which are non-distributable.

(ii) Included in the figure for the accumulated losses is an amount of \$39,302,000 (31 December 2000: \$27,375,000) attributable to associates.

(iii) The application of the share premium account is governed by the Companies Law (2001 Second Revision) of Cayman Islands.

(i) 此為中國附屬公司不可作分派之法定儲備基金。

(ii) 於累積虧損中包括一項應佔聯營公司虧損，為數39,302,000元（二零零零年十二月三十一日：27,375,000元）。

(iii) 股份溢價帳之應用乃受開曼群島公司法（二零零一年第二修訂版）所規限。

19. Material related party transactions

Transactions with and amounts paid to or received from a controlling shareholder and its subsidiaries:

19. 與有關連人士之重大交易

與控股股東及其附屬公司之交易及應付或應收款項：

		Six months ended 30 June	
		截至六月三十日止六個月	
		2001	2000
		二零零一年	二零零零年
		\$'000	\$'000
		千元	千元
Rental paid for staff quarters	支付員工宿舍租金	222	360
Rental income on investment properties	投資物業租金收入	1,200	1,080

20. Comparative figures

Certain comparative figures have been restated to reflect the changes in accounting policies as set out in note 2 in the interim financial report.

20. 比較數字

若干比較數字已經重報，以反映會計政策之更改（載於中期財務報告附註2）。

21. Approval of interim financial report

The interim financial report was approved by the board on 14 September 2001.

21. 通過中期財務報告

董事會已於二零零一年九月十四日通過中期財務報告。