

## **INTERIM DIVIDENDS**

The Board has resolved to pay an interim dividend of HK\$0.10 per share in respect of the year ending 30th June, 2002. The Board has also resolved to pay a special dividend of HK\$0.50 per share in respect of the year ending 30th June, 2002. The aggregate dividend of HK\$0.60 per share will be paid to shareholders whose names appear in the Company's register of members at the close of business on 7th March, 2002.

Dividend warrants will be posted to shareholders on or about 15th March, 2002.

## **CLOSURE OF REGISTER**

The register of members will be closed from 6th March, 2002 to 7th March, 2002 (both days inclusive) during which period no share transfer will be effected.

## **REVIEW OF OPERATIONS**

The unaudited profit attributable to shareholders for the six months ended 31st December, 2001 was HK\$179.85 million, an increase of 18% over the same period of the previous year. The increase in profit was mainly attributable to the sales of properties by the Group's jointly controlled entity.

## **HIGHLIGHTS OF PROPERTY DEVELOPMENT AND INVESTMENTS ARE SUMMARIZED BELOW: -**

### **UK Properties**

Albany House and Thanet House in London continue to perform well and were fully let throughout the period.

### **Shau Kei Wan Inland Lot No. 843, Aldrich Bay (Les Saisons)**

The development on Shau Kei Wan Inland Lot No. 843, in which the Group has a 20% interest, Swire Properties Limited has a 50% interest and Sun Hung Kai Properties Limited has a 30% interest, has a site area of approximately 75,950 sq. ft. The development comprises 864 residential units in four towers rising between 41 storeys and 47 storeys with 216 car parking spaces. In addition, the development also includes a large club house, outdoor pools, children's play area, a gymnasium and a landscaped podium garden. The Occupation Permit for the development was issued at the end of October 2001 and the Certificate of Compliance is expected to be issued in February 2002. With fitting-out of new on-site showflats completed for public viewing, sale of the remaining unsold residential units has been re-launched in January 2002. The response is encouraging and as at February 2002, approximately 74% of the residential units have been sold.

### **Inland Lot 88, No. 391 Chai Wan Road, Chai Wan**

Inland Lot 88, which is wholly owned by the Company, has a site area of approximately 102,420 sq. ft. and is at present used as a bus depot. In May 2001, the site was rezoned by Government into a Comprehensive Development Area. The Company has submitted a Section 16 application to the Town Planning Board to redevelop the site into a residential and commercial complex with 10,000 sq. m. (107,640 sq. ft.) of retail space and 75,440 sq. m. (812,036 sq. ft.) of residential units.

### **The Remaining Portion of Kowloon Inland Lot No. 1300 (No. 3, Jordan Road, Kowloon)**

The Remaining Portion of Kowloon Inland Lot No. 1300 (No. 3, Jordan Road, Kowloon) has a site area of approximately 2,906 sq. ft. comprising a three storey building. In February 2001, the Group through one of its wholly-owned subsidiaries, purchased the property for redevelopment. Vacant possession of the property from the tenants has been obtained and demolition of the existing building will commence in February 2002 to develop the property into a 26 storey building comprising serviced apartments and retail accommodation with a total gross floor area of approximately 29,880 sq. ft. In view of the favourable location of the site, the property is expected to generate steady rental income for the Group upon completion of the redevelopment.

### **Future Outlook**

The successful re-launch of the sale of the remaining units at “Les Saisons” by a jointly controlled entity of the Group should continue to contribute significantly to the Group’s profit in the year under review. With substantial funds available, the Group will forge ahead with the development of its own land in Hong Kong. In view of the sustained economic downturn and low interest rate environment in Hong Kong, the Group intends to prudently pursue investment opportunities, including further investments in selected prime properties overseas promising attractive returns.

## **DIRECTORS' INTEREST IN SHARES**

At 31st December, 2001, the Directors and their associates had the following interests in the issued share capital of the Company as recorded in the register of Directors' share interests:

	<b>Ordinary shares of HK\$2 each</b>		
	<b>Personal Interests</b>	<b>Family Interests</b>	<b>Other interests</b>
NGAN Kit-ling	4,578,799	-	33,468 (Note)
NGAN Kit-keung	6,671,468	1,250	33,468 (Note)
Dr. Henry NGAN	6,903,579	250	33,468 (Note)
LIU Lit-mo	62,250	-	-
Fritz HELMREICH	6,000	-	-
James Y. C. SO	600	-	-

Note: The 33,468 shares in the Company are included in the estate of the late Madam WONG Yick-mui.

During the six months ended 31st December, 2001, none of the Directors or their respective spouses and children under 18 years of age had been granted by the Company any rights to subscribe for securities of the Company and no such rights had been exercised.

## **SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY**

As far as Directors are aware, no shareholder of the Company who is not a Director of the Company is directly or indirectly interested in 10 per cent or more of the issued capital of the Company.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the six months ended 31st December, 2001, the Company repurchased on The Stock Exchange of Hong Kong Limited an aggregate of 117,000 shares at a total consideration of HK\$7,870,000.

Save as disclosed above, the Group had not repurchased, sold or redeemed any of the Company's listed securities during the review period.

## DISCLOSURE PURSUANT TO PRACTICE NOTE 19 OF THE LISTING RULES

At 31st December, 2001, the Group had given the following financial assistance to its affiliated companies (as defined by Practice Note 19 of the Listing Rules):

<b>Company</b>	<b>Amount</b> HK\$'000	<b>Type</b>	<b>Tenure</b>
Island Land Development Ltd	603,850	Interest free unsecured loan	No fixed terms of repayment
Hareton Ltd	208,307	Interest free unsecured loan	No fixed terms of repayment
Uttoxeter Ltd	341,990	Interest free unsecured loan	No fixed terms of repayment
	<u>1,154,147</u>		

Proforma combined balance sheet of the above affiliated companies at 31st December, 2001 is as follows:

	HK\$'000
Fixed assets	772,000
Deferred expenditure	3,397
	<u>775,397</u>
Current assets	2,900,327
Current liabilities	<u>(343,346)</u>
	<u>2,556,981</u>
	<u>3,332,378</u>

Attributable interest to the Group in all its affiliated companies as at 31st December, 2001 amounted to HK\$1,241,483,000.

### CODE OF BEST PRACTICE

None of the Directors of the Company is aware of any information which would reasonably indicate that the Company was not in compliance with the Code of Best Practice, as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, at any time during the six months ended 31st December, 2001.

NGAN Kit-ling  
Chairman

Hong Kong, 8th February, 2002



## **INDEPENDENT REVIEW REPORT TO THE BOARD OF DIRECTORS OF CHINA MOTOR BUS COMPANY, LIMITED**

### **Introduction**

We have been instructed by the Company to review the interim financial report set out on pages 1 to 11.

### **Directors' responsibilities**

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Statement of Standard Accounting Practice 25 "Interim financial reporting" issued by the Hong Kong Society of Accountants. The interim financial report is the responsibility of, and has been approved by, the directors.

### **Review work performed**

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

### **Review conclusion**

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 31st December, 2001.

**KPMG**  
Certified Public Accountants  
Hong Kong, 8th February, 2002