

Notes to Condensed Consolidated Financial Statements

1. ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements are prepared in accordance with Hong Kong Statement of Standard Accounting Practice (“SSAP”) No. 25 “Interim Financial Reporting”. The accounting policies and basis of preparation used in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2001.

The interim results are unaudited, but have been reviewed by the Audit Committee. Regular meetings have been held by the Committee since its establishment and it meets at least twice each year.

2. PROFIT FROM OPERATIONS

The Group’s profit from operations is arrived at after charging:

	Six months ended 30 June	
	2002 (Unaudited) HK\$’000	2001 (Unaudited) HK\$’000
Depreciation on fixed assets	35,841	36,137
Amortisation of deferred development expenditure	3,198	3,836
Staff costs, inclusive of directors’ emoluments	44,936	45,124

3. FINANCE COSTS

	Six months ended 30 June	
	2002 (Unaudited) HK\$’000	2001 (Unaudited) HK\$’000
Interest on:		
Bank borrowings wholly repayable within five years	3,397	5,263
Finance leases and hire purchase contracts	1,141	3,221
	4,538	8,484

Notes to Condensed Consolidated Financial Statements

4. TAXATION

Hong Kong Profits Tax is calculated at 16% (2001: 16%) of the estimated assessable profits for the period. Overseas taxation is calculated at the rates prevailing in the respective jurisdiction.

5. EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share are based on the following data:

	Six months ended 30 June	
	2002 (Unaudited) HK\$'000	2001 (Unaudited) HK\$'000
Earnings for the purposes of basic and diluted earnings per share	45,873	49,136
	Number of shares	Number of shares
Number of ordinary shares (2001: Weighted average number of shares) for the purposes of basic earnings per share	444,259,000	433,585,000
Effect of dilutive share options	2,232,000	12,040,000
Number of ordinary shares (2001: Weighted average number of shares) for the purposes of diluted earnings per share	446,491,000	445,625,000

Notes to Condensed Consolidated Financial Statements

6. TRADE AND OTHER RECEIVABLES

The Group has a policy of allowing an average credit terms ranging from 30 to 90 days to its trade customers.

	30 June 2002 (Unaudited) HK\$'000	31 December 2001 (Audited) HK\$'000
Aged analysis of trade receivables:		
Within 60 days	113,186	74,736
60 to 90 days	11,032	13,535
More than 90 days	5,664	15,172
	129,882	103,443
Deposits and prepayments	35,212	49,750
	165,094	153,193

7. TRADE AND OTHER PAYABLES

	30 June 2002 (Unaudited) HK\$'000	31 December 2001 (Audited) HK\$'000
Aged analysis of trade payables:		
Within 60 days	28,216	26,765
60 to 90 days	9,103	9,035
More than 90 days	7,672	4,722
	44,991	40,522
Other payables and accrued charges	24,921	22,000
	69,912	62,522

Notes to Condensed Consolidated Financial Statements

8. RESERVES

	Share premium	Special reserve	Capital redemption reserve	Capital reserve	Exchange reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2002	250,288	990	82	996	1,282	525,738	779,376
Exchange difference on translation of overseas operations	—	—	—	—	90	—	90
Profit for the period	—	—	—	—	—	45,873	45,873
Dividend paid	—	—	—	—	—	(17,770)	(17,770)
At 30 June 2002	250,288	990	82	996	1,372	553,841	807,569