

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 2003.

The interim results are unaudited, but have been reviewed by the Audit Committee which is of the opinion that such financial statements complied with the applicable accounting standard, and that adequate disclosures have been made.

2. PROFIT FROM OPERATIONS

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

	Six months ended 30 June	
	2004	2003
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Depreciation on fixed assets	47,547	35,089
Amortisation on development expenditure	4,824	394
Staff costs, inclusive of directors' remuneration	61,361	49,136

3. FINANCE COSTS

	Six months ended 30 June	
	2004	2003
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Interest on:		
Bank borrowings wholly repayable within five years	6,341	3,254
Finance leases	167	700
	6,508	3,954

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4. TAXATION

Hong Kong Profits Tax is calculated at 17.5% (2003: 17.5%) 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	
	2004 (Unaudited) HK\$'000	2003 (Unaudited) HK\$'000
Earnings for the purposes of basic and diluted earnings per share	255,611	58,399
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purposes of basic earnings per share	445,089,000	444,259,000
Effect of dilutive share options	10,252,000	3,722,000
Weighted average number of ordinary shares for the purposes of diluted earnings per share	455,341,000	447,981,000

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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 2004 (Unaudited) HK\$'000	31 December 2003 (Audited) HK\$'000
Aged analysis of trade receivables:		
Within 60 days	389,621	303,442
61 to 90 days	49,052	33,010
More than 90 days	41,345	13,392
	480,018	349,844
Deposits and prepayments	44,044	56,536
	524,062	406,380

7. TRADE AND OTHER PAYABLES

	30 June 2004 (Unaudited) HK\$'000	31 December 2003 (Audited) HK\$'000
Aged analysis of trade payables:		
Within 60 days	250,341	204,064
61 to 90 days	40,345	15,205
More than 90 days	23,332	25,538
	314,018	244,807
Other payables and accrued charges	14,004	55,634
	328,022	300,441