



BERJAYA

BERJAYA HOLDINGS (HK) LIMITED

(Incorporated in Hong Kong with limited liability)

INTERIM REPORT FOR THE SIX MONTHS ENDED OCTOBER 31, 2001

We are pleased to announce the unaudited consolidated results of Berjaya Holdings (HK) Limited (the "Company") and its subsidiaries (the "Group") for the six months ended October 31, 2001 prepared in conformity with generally accepted accounting principles in Hong Kong ("HKGAAP"), together with comparative figures for the corresponding period in the previous year.

CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)

		Six months ended October 31,	
		2001	2000
		HK\$ '000	HK\$ '000
Turnover	3	1,222	917
Administrative expenses		(2,290)	(2,058)
Other revenue (expenses), net		156	(429)
Loss from operations		(912)	(1,570)
Finance costs, net		(817)	(1,167)
		(1,729)	(2,737)
Share of profit (loss) of an associate		141	(457)
Loss before tax	4	(1,588)	(3,194)
Taxation	5	—	—
Net loss before minority interests		(1,588)	(3,194)
Minority interests		2	1
Loss attributable to shareholders		(1,586)	(3,193)
Loss per share – basic	6	(0.27 cents)	(0.54 cents)
Loss per share – diluted	6	(0.27 cents)	(0.54 cents)

A separate statement of recognized gains and losses is not presented because there were no recognized gains or losses other than the net loss for the period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)

1. PRINCIPAL ACCOUNTING POLICIES

The condensed interim financial statements have been prepared in accordance with Statement of Standard Accounting Practice ("SSAP") No. 25 "Interim Financial Reporting" issued by the Hong Kong Society of Accountants (the "HKSA").

The condensed interim financial statements should be read in conjunction with the 2001 annual financial statements. The accounting policies and the basis of preparation adopted are consistent with those followed in the Group's annual financial statements for the year ended April 30, 2001, except for the adoption of certain new SSAPs issued by HKSA as described below.

In current period, the Group has adopted, for the first time, the following SSAPs issued by HKSA:

SSAP 9 (revised)	Events after the balance sheet date
SSAP 14 (revised)	Leases
SSAP 26	Segment reporting
SSAP 28	Provisions, contingent liabilities and contingent assets
SSAP 30	Business combinations
SSAP 31	Impairment of assets

For the six months ended October 31, 2001, the adoption of the above new accounting standards has no material impact on the reported financial position or results of the Group.

2. BASIS OF CONSOLIDATION

The consolidated results of the Group include the results of the Company and its subsidiaries for the six months ended October 31, 2001. All significant intra-group transactions and balances have been eliminated on consolidation.

The results of operations of a subsidiary, Zhong Freight Limited ("Zhong Freight"), have not been consolidated because the directors are of the opinion that control over Zhong Freight is temporary as Zhong Freight has commenced creditors' voluntary liquidation since June 1995.

Investment in unconsolidated subsidiaries is stated at cost less provision for any impairment in value. Income from the unconsolidated subsidiaries is accounted for to the extent of dividends declared.

3. TURNOVER

Turnover represents rental income from property letting which is recognized based on a straight-line basis over the terms of the rental contracts.

4. LOSS BEFORE TAX

Operating loss is stated after charging unrealized loss on other investment amounting to HK\$12,000 (2000: HK\$1,573,000) and depreciation expenses on fixed assets of approximately HK\$137,000 (2000: HK\$77,000).

5. TAXATION

The Company has no estimated assessable profit for Hong Kong and overseas profits tax purposes for the period. Potential deferred tax asset arising from cumulative tax losses as of October 31, 2001 has not been recognized in the consolidated financial statements.

6. LOSS PER SHARE

Loss per share is calculated based on the consolidated loss attributable to shareholders for the six months ended October 31, 2001 of approximately HK\$1,586,000 (2000: HK\$3,193,000) and on the weighted average of 591,047,975 ordinary shares in issue throughout the six months ended October 31, 2001 (2000: 591,047,975 ordinary shares).

As of October 31, 2001 and 2000, there were no dilutive financial instruments (such as share options and warrants) outstanding and therefore, the diluted loss per share for both periods is the same as the basic loss per share.

BUSINESS REVIEW AND PROSPECTS

For the six months ended October 31, 2001, the Group recorded a loss of HK\$1,586,000 compared to a loss of HK\$3,193,000 for the six months ended October 31, 2000. This is primarily due to the recognition of unrealized loss of HK\$1,573,000 for investments listed overseas in the previous period compared to HK\$12,000 this period. Lower finance costs were also recorded as a result of lower interest rate. The Group continued to derive a stable level of rental income from investment properties.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended October 31, 2001 (six months ended October 31, 2000: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended October 31, 2001, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares.

CODE OF BEST PRACTICE

In the opinion of the Directors, the Company has complied 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 throughout the accounting period covered by the interim report except as described below:

- (1) independent non-executive Directors are not appointed for a specific term as they are subject to retirement by rotation and re-election at the Annual General Meeting of the Company in accordance with the provisions of the Company's Articles of Association; and
- (2) full board meetings have not been held as frequently as every six months as the Directors consider meetings by circulation are sufficient.

AUDIT COMMITTEE

An audit committee was established on December 15, 2000 to act in an advisory capacity and make recommendations to the Board. Its members currently include Dato' Lee Ah Hoe and Mr. Tan Tee Yong, being the independent non-executive Directors of the Company.

The audit committee has met regularly to review with management the accounting principles and practices adopted by the Group and to discuss auditing, internal control and financial reporting matters (including the interim financial statements before recommending them to the Board of the Directors for approval).

On Behalf of the Board
Tan Sri Dato' Tan Kok Ping
Chairman

Hong Kong, December 10, 2001

All the information required by paragraphs 46(1) to 46(6) of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") will be published on the Stock Exchange's website in due course.