



SINO SECURITIES INTERNATIONAL LIMITED



Address: 3rd Floor, 43-51 Queen Street
Melbourne, VIC 3000, Australia

ABN 99 006 620 739

Sino Investment Services Pty Ltd (ABN 49 006 643 152)

Sino Business Services Pty Ltd (ABN 29 006 923 397)

SSI Nominees Pty Ltd (ABN 31 006 724 956)

Sino Investments Pty Ltd (ABN 47 006 643 143)

Sino Asset Management Pty Ltd (ABN 61 007 282 797)

Sino Finance Portal Pty Ltd (ABN 32 086 928 396)

Telephone: (61) 3 9629 6615

Facsimile: (61) 3 9614 1946

E-Mail: info@sino.com.au

Web Site: <http://www.sino.com.au> <http://www.myprofit.com.au>

INVESTMENT BANKERS

15 March 2002

Australian Stock Exchange
Company Announcements Platform

Dear Sir/Madam

Re: Financial results of Sino Securities International Ltd for the half year ended 31 December 2001

The Board of Directors of Sino Securities International Ltd (“SSI” or “the Company”) is pleased to report on the financial results of the Company for the half year ended 31 December 2001. Total revenue declined by 80 per cent to \$784,001 from \$3.92 million in the half year compared with the previous corresponding half year. \$3.4 million of the previous corresponding half year’s total revenue was due to a once off accounting gain on reduction of equity interest in GoConnect Ltd (“GoConnect”). If this gain had been excluded, reported revenue for the half year under review would have increased instead by 50 per cent to \$784,001 compared with the previous corresponding half year. Net Loss declined by 92.7 per cent to \$1.37 million from \$18.8 million. The substantial reduction in Net Loss in the period under review compared to the previous corresponding half year was due to a significant reduction in consolidated expenses including a 55 per cent reduction in GoConnect’s ISP network cost in the half year, and the absence of provision during this half year compared with the previous corresponding half year when full provision against the investment in the Dalian project and provision against prepayment by GoConnect were made.

During the half year to 31 December 2001, SSI’s various businesses and investments each went through its own transformation or rationalization to improve financial performance. The half year financial results reflect the partial success of these activities and further improvements are expected in the current 6 months.

REVIEW OF OPERATIONS

Investment Banking

SSI launched its new finance portal www.myprofit.com.au in late June 2001. During the period under review, the finance portal was able to secure a range of finance and investment content. The portal has, since its launch, continued to build its membership which now exceeds 1,000 members. A large number of these members have also elected to be provided with an email service, the Sino Daily Investment Digest, on a twice daily basis to receive more up-to-date investment market information and comments. Myprofit.tv launched its interactive finance and investment video service during the period and piloted a series of finance programs which were well received. A new program on Myprofit.tv, Stock Pick of the Week presented by finance journalist, Mr James Dunn, has commenced since 11 February 2002. Discussions are at an advanced stage in securing sponsors for this service.

Another initiative of the finance portal during this period was the launch of a corporate public relations video service, Corporate Image. A corporate client has been secured and this program will be presented through Myprofit.tv in the coming weeks. The development of www.myprofit.com.au, Myprofit.tv, and the Corporate Image service has provided SSI with not only a new source of income, but also a unique package of online tools to market its investment banking services which no other investment banking companies currently have at their disposal.

During the period under review, SSI's securities broking and underwriting activities did not perform satisfactorily as the global equities markets remained in the doldrums. Though brokerage income was maintained, no underwriting assignment was carried out in this period. In the previous corresponding half year, SSI was responsible for the underwriting of the GoConnect Initial Public Offering for listing on the ASX. However, since the end of the half year, broking activities have picked up and with the current market trend, can be expected to continue in a positive direction.

GoConnect Ltd

During the period under review, GoConnect's management delivered a credible result considering that the company was involved in a major shift in its business strategy. Total revenue was up by 196 per cent to \$420,433 from \$141,996. Net Loss declined by 68 per cent to \$2.36 million from \$7.35 million. The company introduced a pay ISP plan, the Option Plan, in late June 2001 while the free ISP operation ceased its service on 4 October 2001. This resulted in a substantial reduction in ISP network operating cost of 55 per cent during this half year compared to the previous corresponding half year. At the same time, a new source of revenue was established through ISP subscriptions. While the conversion from free to pay ISP resulted in a much reduced audience to sell advertising to, the operation is now self-sustaining on a cashflow basis. A number of marketing initiatives have been and will continue to be introduced to expand the pay ISP subscriber base to increase the cashflows from this operation. As well as reducing ISP network cost, the company was also successful in reducing overhead expenses and these savings will become more apparent in the current half year.

While there has been a significant reduction in the ISP audience for GoTrek delivered advertising, the company has been successful in securing a number of important affiliates who have substantial customer bases. These include the Optus group, Columbia TriStar, Tattersall's, and others in the pipeline. GoConnect's affiliate recruitment program can be expected to play a much bigger role in the expansion of the GoTrek audience while the Option Plan ISP remains of strategic importance to the total business of the company as well as providing a growing source of cashflows. During the half year the company was successful in securing a range of compelling video content to underpin its media objectives. GoConnect's media strategy includes the rollout during the current half year of a number of interactive channels including music, movie, comedy, extreme sports and finance, with additional channels under review for inclusion.

GoConnect's Research and Development team has been busy during the past 6 months re-engineering the GoTrek technology with a strong media focus. The launch of a much enhanced GoTrek, GoTrek Version 5, can be expected within the next few weeks.

Multelink Australia Ltd

SSI invested \$3 million for a 20 per cent interest in a telephony company Multelink Australia Ltd (“Multelink”) in early 1999. Multelink’s management reports that revenue earned during the half year to 31 December 2001 increased by 411 per cent compared to that of the previous corresponding half year. Margin on revenue remains healthy despite operating in a highly competitive and difficult telecommunications market. The margin continues to be improved with revenue growing at a monthly compound rate of 12 per cent. Monthly revenue currently exceeds \$1 million. Multelink continues to gain acceptance for its SmartPhone product amongst the business sector with success now progressing from the Small and Medium Sized Enterprises (“SMEs”) to the larger corporations.

Pharmasafe Pty Ltd

Discussions held with Professor TC Lin during the period under review culminated in the establishment of Pharmasafe Pty Ltd to commercialise the intellectual property transferred by Professor Lin to Pharmasafe Pty Ltd. SSI now holds 40 per cent of Pharmasafe Pty Ltd. Pharmasafe’s immediate objective is to develop a product which can be expected to contribute significant benefits to chronic sufferers of Hepatitis B virus as well as to act as a health supplement. Further announcement will be made when appropriate to report on the progress of this new business.

Yours sincerely

Richard Li

Managing Director
Sino Securities International Ltd

Appendix 4B (rule 4.13(b))

Half yearly/~~preliminary~~ final report

Introduced 1/7/2000. Amended 30/9/2001.

Name of entity

SINO SECURITIES INTERNATIONAL LIMITED

ABN

99 006 620 739

Half yearly
(*tick*)

✓

Preliminary
final (*tick*)

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Half year/~~financial year~~ ended ('current period')

31 DECEMBER 2001

For announcement to the market

Extracts from this report for announcement to the market (see note 1).

\$A

Revenues from ordinary activities (<i>item 1.1</i>)	Down	80.0%	to	784,001
Loss from ordinary activities after tax (before amortisation of goodwill) attributable to members (<i>item 1.20</i>)	Down	92.7%	to	(1,365,700)
Loss from ordinary activities after tax attributable to members (<i>item 1.23</i>)	Down	92.7%	to	(1,365,700)
Profit (loss) from extraordinary items after tax attributable to members (<i>item 2.5(d)</i>)	gain (loss) of			N/A
Net loss for the period attributable to members (<i>item 1.11</i>)	Down	92.7%	to	(1,365,700)

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend (<i>Preliminary final report only - item 15.4</i>)	– ¢	– ¢
Interim dividend (<i>Half yearly report only - item 15.6</i>)	– ¢	– ¢
Previous corresponding period (<i>Preliminary final report - item 15.5; half yearly report - item 15.7</i>)	– ¢	– ¢

+Record date for determining entitlements to the dividend,
(in the case of a trust, distribution) (see *item 15.2*)

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Brief explanation of omission of directional and percentage changes to profit in accordance with Note 1 and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

+ See chapter 19 for defined terms.

Consolidated profit and loss account

	Current period (\$A'000)	Previous corresponding period (\$A'000)
1.1 Revenues from ordinary activities	784	3,923
1.2 Expenses from ordinary activities (<i>see items 1.24 + 12.5 + 12.6</i>)	3,282	26,740
1.3 Borrowing costs	-	-
1.4 Share of net profit (loss) of associates and joint venture entities (<i>see item 16.7</i>)	-	-
1.5 Profit (loss) from ordinary activities before tax	(2,498)	(22,817)
1.6 Income tax on ordinary activities (<i>see note 4</i>)	-	-
1.7 Profit (loss) from ordinary activities after tax	(2,498)	(22,817)
1.8 Profit (loss) from extraordinary items after tax (<i>see item 2.5</i>)	-	-
1.9 Net profit (loss)	(2,498)	(22,817)
1.10 Net profit (loss) attributable to outside + equity interests	(1,132)	(4,016)
1.11 Net profit (loss) for the period attributable to members	(1,366)	(18,801)

Consolidated retained profits

1.12 Retained profits (accumulated losses) at the beginning of the financial period	(19,834)	6,429
1.13 Net profit (loss) attributable to members (<i>item 1.11</i>)	(1,366)	(18,801)
1.14 Net transfers (to) and from reserves	-	(3,401)
1.15 Net effect of changes in accounting policies	-	-
1.16 Dividends and other equity distributions paid or payable	-	-
1.17 Retained profits (accumulated losses) at end of financial period	(21,200)	(15,773)

+ See chapter 19 for defined terms.

Profit restated to exclude amortisation of goodwill		Current period (\$A'000)	Previous corresponding period (\$A'000)
1.18	Profit (loss) from ordinary activities after tax before outside equity interests (<i>items 1.7</i>) and amortisation of goodwill	(2,498)	(22,817)
1.19	Less (plus) outside ⁺ equity interests	(1,132)	(4,016)
1.20	Profit (loss) from ordinary activities after tax (before amortisation of goodwill) attributable to members	(1,366)	(18,801)

Profit (loss) from ordinary activities attributable to members

		Current period (\$A'000)	Previous corresponding period (\$A'000)
1.21	Profit (loss) from ordinary activities after tax (<i>item 1.7</i>)	(2,498)	(22,817)
1.22	Less (plus) outside ⁺ equity interests	(1,132)	(4,016)
1.23	Profit (loss) from ordinary activities after tax, attributable to members	(1,366)	(18,801)

Revenue and expenses from ordinary activities

AASB 1004 requires disclosure of specific categories of revenue and AASB 1018 requires disclosure of expenses from ordinary activities according to either their nature or function. Entities must report details of revenue and expenses from ordinary activities using the layout employed in their accounts. See also items 12.1 to 12.6.

		Current period (\$A'000)	Previous corresponding period (\$A'000)
1.24	Details of revenue and expenses		
	(i) <i>Revenues</i>		
	Sharebroking and underwriting fees	56	68
	Advertising sales and e-commerce commission	37	37
	Gain on reduction of equity interest in a controlled entity	-	3,401
	Proceeds on disposal of share investments	304	270
	ISP subscriptions	321	-
	(ii) <i>Expenses</i>		
	Provision for diminution in prepayment	-	3,825
	Provision for diminution in equity investment	-	18,179
	Internet Service network operating expense	776	1,706
	Employee benefits expense	1,469	1,308
	Sharebroking and underwriting expense	21	464

+ See chapter 19 for defined terms.

Intangible and extraordinary items

		<i>Consolidated - current period</i>			
		Before tax (A'000) (a)	Related tax (A'000) (b)	Related outside + equity interests (A'000) (c)	Amount (after tax) attributable to members (A'000) (d)
2.1	Amortisation of goodwill	–	–	–	–
2.2	Amortisation of other intangibles	–	–	–	–
2.3	Total amortisation of intangibles	–	–	–	–
2.4	Extraordinary items (details)	–	–	–	–
2.5	Total extraordinary items	–	–	–	–

Comparison of half year profits

(Preliminary final report only)

		Current year (\$A'000)	Previous year (\$A'000)
3.1	Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the <i>1st</i> half year (item 1.23 in the half yearly report)		
3.2	Consolidated profit (loss) from ordinary activities after tax attributable to members for the <i>2nd</i> half year		

+ See chapter 19 for defined terms.

Consolidated balance sheet		At end of current period (\$A'000)	As shown in last annual report (\$A'000)	As in last half yearly report (\$A'000)
Current assets				
4.1	Cash	2,064	4,056	8,747
4.2	Receivables	318	372	440
4.3	Investments	2	2	109
4.4	Inventories	-	-	-
4.5	Other (provide details if material)	139	642	3,358
4.6	Total current assets	2,523	5,072	12,654
Non-current assets				
4.7	Receivables	-	-	-
4.8	Investments (equity accounted)	-	-	-
4.9	Other investments	3,000	3,000	3,000
4.10	Inventories	-	-	-
4.11	Exploration and evaluation expenditure capitalised (see para .71 of AASB 1022)	-	-	-
4.12	Development properties (+mining entities)	-	-	-
4.13	Other property, plant and equipment (net)	1,181	1,382	1,110
4.14	Intangibles (net)	-	-	-
4.15	Other (provide details if material)	-	-	-
4.16	Total non-current assets	4,181	4,382	4,110
4.17	Total assets	6,704	9,454	16,764
Current liabilities				
4.18	Payables	421	630	1,540
4.19	Interest bearing liabilities	-	-	-
4.20	Provisions	288	304	262
4.21	Other (provide details if material)	-	-	-
4.22	Total current liabilities	709	934	1,802
Non-current liabilities				
4.23	Payables	-	-	-
4.24	Interest bearing liabilities	-	-	-
4.25	Provisions	-	27	21
4.26	Other (provide details if material)	-	-	-
4.27	Total non-current liabilities	-	27	21
4.28	Total liabilities	709	961	1,823
4.29	Net assets	5,995	8,493	14,941

+ See chapter 19 for defined terms.

Consolidated balance sheet continued

	Equity			
4.30	Capital/contributed equity	10,829	10,829	10,829
4.31	Reserves	15,432	15,432	15,432
4.32	Retained profits (accumulated losses)	(21,200)	(19,834)	(15,773)
4.33	Equity attributable to members of the parent entity	5,061	6,427	10,488
4.34	Outside + equity interests in controlled entities	934	2,066	4,453
4.35	Total equity	5,995	8,493	14,941
4.36	Preference capital included as part of 4.33	–	–	–

Exploration and evaluation expenditure capitalised

To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit.

	Current period (\$A'000)	Previous corresponding period (\$A'000)
5.1	Opening balance	–
5.2	Expenditure incurred during current period	–
5.3	Expenditure written off during current period	–
5.4	Acquisitions, disposals, revaluation increments, etc.	–
5.5	Expenditure transferred to Development Properties	–
5.6	Closing balance as shown in the consolidated balance sheet (item 4.11)	–

Development properties

(To be completed only by entities with mining interests if amounts are material)

	Current period (\$A'000)	Previous corresponding period (\$A'000)
6.1	Opening balance	–
6.2	Expenditure incurred during current period	–
6.3	Expenditure transferred from exploration and evaluation	–
6.4	Expenditure written off during current period	–
6.5	Acquisitions, disposals, revaluation increments, etc.	–
6.6	Expenditure transferred to mine properties	–
6.7	Closing balance as shown in the consolidated balance sheet (item 4.12)	–

+ See chapter 19 for defined terms.

Consolidated statement of cash flows

		Current period (\$A'000)	Previous corresponding period (\$A'000)
Cash flows related to operating activities			
7.1	Receipts from customers	540	81
7.2	Payments to suppliers and employees	(2,866)	(3,763)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	74	108
7.6	Interest and other costs of finance paid	(4)	(7)
7.7	Income taxes paid	-	-
7.8	Other (provide details if material)	-	-
7.9	Net operating cash flows	(2,256)	(3,581)
Cash flows related to investing activities			
7.10	Payment for purchases of property, plant and equipment	(29)	(173)
7.11	Proceeds from sale of property, plant and equipment	-	-
7.12	Payment for purchases of equity investments	-	(95)
7.13	Proceeds from sale of equity investments	293	270
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other (provide details if material)	-	-
7.17	Net investing cash flows	264	2
Cash flows related to financing activities			
7.18	Proceeds from issues of ⁺ securities (shares, options, etc.)	-	10,118
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	-
7.21	Dividends paid	-	-
7.22	Other (provide details if material)	-	-
7.23	Net financing cash flows	-	10,118
7.24	Net increase (decrease) in cash held	(1,992)	6,539
7.25	Cash at beginning of period (see <i>Reconciliation of cash</i>)	4,056	2,208
7.26	Exchange rate adjustments to item 7.25.	-	-
7.27	Cash at end of period (see <i>Reconciliation of cash</i>)	2,064	8,747

⁺ See chapter 19 for defined terms.

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.

NIL

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period (\$A'000)	Previous corresponding period (\$A'000)
8.1 Cash on hand and at bank	2,027	8,450
8.2 Deposits at call	37	297
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	-
8.5 Total cash at end of period (item 7.27)	2,064	8,747

Ratios

	Current period (\$A'000)	Previous corresponding period (\$A'000)
9.1 Profit before tax / revenue Consolidated profit (loss) from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	(318.6%)	(581.6%)
9.2 Profit after tax / +equity interests Consolidated net profit (loss) from ordinary activities after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 4.33)	(27.0%)	(179.3%)

Earnings per security (EPS)

	Current period (\$A'000)	Previous corresponding period (\$A'000)
10.1 Calculation of the following in accordance with AASB 1027: <i>Earnings per Share</i>		
(a) Basic EPS	(9.5) cents	(132.2) cents
(b) Diluted EPS (if materially different from (a))	(9.5) cents	(130.6) cents
(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	14,357,130	14,220,826

NTA backing

(see note 7)	Current period	Previous corresponding period
11.1 Net tangible asset backing per +ordinary security	\$0.35	\$0.74

+ See chapter 19 for defined terms.

Details of specific receipts/outlays, revenues/ expenses

	Current period (\$A'000)	Previous corresponding period (\$A'000)
12.1 Interest revenue included in determining item 1.5	64	109
12.2 Interest revenue included in item 12.1 but not yet received (if material)	-	-
12.3 Interest costs excluded from borrowing costs, capitalised in asset values	-	-
12.4 Outlays (except those arising from the ⁺ acquisition of an existing business) capitalised in intangibles (if material)	-	-
12.5 Depreciation and amortisation (excluding amortisation of intangibles)	240	146
12.6 Other specific relevant items not shown in item 1.24 (see note 15)	-	-

Control gained over entities having material effect

13.1 Name of entity (or group of entities)	NIL
13.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was ⁺ acquired	\$
13.3 Date from which such profit has been calculated	
13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) for the whole of the previous corresponding period	\$

+ See chapter 19 for defined terms.

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	NIL
14.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) for the current period to the date of loss of control	\$
14.3	Date to which the profit (loss) in item 14.2 has been calculated	
14.4	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	\$
14.5	Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$

Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 1005: Financial Reporting by Segments. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this report. However, the following is the presentation adopted in the Appendices to AASB 1005 and indicates which amounts should agree with items included elsewhere in this report.

Segments

Operating Revenue

Sales to customers outside the economic entity

Inter-segment sales

Unallocated revenue

(PLEASE REFER TO ATTACHMENT "A")

Total revenue

Segment result

Unallocated expenses

Consolidated profit (loss) from ordinary activities before tax (equal to item 1.5)

Segment assets

)

Comparative data for segment assets

Unallocated assets

)

should be as at the end of the

Total assets (equal to item 4.17)

previous corresponding period.

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	N/A
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of registrable transfers received by 5.00 pm if +securities are not +CHES approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if +securities are +CHES approved)	N/A
15.3	If it is a final dividend, has it been declared? (Preliminary final report only)	N/A

+ See chapter 19 for defined terms.

Amount per security

		Amount per security	Franked amount per security at 36% tax	Amount per security of foreign source dividend
	<i>(Preliminary final report only)</i>			
15.4	Final dividend: Current year	– ¢	– ¢	– ¢
15.5	Previous year	– ¢	– ¢	– ¢
	<i>(Half yearly and preliminary final reports)</i>			
15.6	Interim dividend: Current year	– ¢	– ¢	– ¢
15.7	Previous year	– ¢	– ¢	– ¢

Total dividend (distribution) per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	– ¢	– ¢
15.9 Preference +securities	– ¢	– ¢

**Half yearly report - interim dividend (distribution) on all securities or
Preliminary final report - final dividend (distribution) on all securities**

	Current period (\$A'000)	Previous corresponding period (\$A'000)
15.10 +Ordinary securities	–	–
15.11 Preference +securities	–	–
15.12 Other equity instruments	–	–
15.13 Total	–	–

The +dividend or distribution plans shown below are in operation.

NIL

The last date(s) for receipt of election notices for the +dividend or distribution plans

Any other disclosures in relation to dividends (distributions)

+ See chapter 19 for defined terms.

Details of aggregate share of profits (losses) of associates and joint venture entities

		Current period (\$A'000)	Previous corresponding period (\$A'000)
16.1	Profit (loss) from ordinary activities before income tax	—	—
16.2	Income tax on ordinary activities	—	—
16.3	Profit (loss) from ordinary activities after income tax	—	—
16.4	Extraordinary items net of tax	—	—
16.5	Net profit (loss)	—	—
16.6	Outside +equity interests	—	—
16.7	Net profit (loss) attributable to members	—	—

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition (“from xx/xx/xx”) or disposal (“to xx/xx/xx”).

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (item 1.9)	
	Current period (\$A'000)	Previous corresponding period (\$A'000)	Current period (\$A'000)	Previous corresponding period (\$A'000)
17.1 Equity accounted associates and joint venture entities				
17.2 Total				
17.3 Other material interests				
17.4 Total				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current period

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of +securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1 Preference +securities <i>(description)</i>	-	-	-	-
18.2 Changes during current period				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
18.3 +Ordinary securities	14,300,505	14,300,505	-	-
	2,800,000	-	50	1
	500,000	-	80	0.1
18.4 Changes during current period				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buybacks	-	-	-	-
18.5 +Convertible debt securities <i>(description and conversion factor)</i>	-	-	-	-
18.6 Changes during current period				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
18.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date (if any)</i>
18.8 Issued during current period	-	-	-	-
18.9 Exercised during current period	-	-	-	-
18.10 Expired during current period	-	-	-	-
18.11 Debentures <i>(totals only)</i>	-	-		
18.12 Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

Comments by directors

Comments on the following matters are required by ASX or, in relation to the half yearly report, by AASB 1029: Half-Year Accounts and Consolidated Accounts. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.

Basis of accounts preparation

*If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: Half-Year Accounts and Consolidated Accounts. It should be read in conjunction with the last *annual report and any announcements to the market made by the entity during the period. [Delete if preliminary final statement.]*

Material factors affecting the revenues and expenses of the economic entity for the current period

Despite that total revenue was down 80 per cent for this period compared to the previous corresponding half year, \$3.4 million of the previous half year's revenue was due to a once off accounting gain on reduction of equity interest in GoConnect Ltd by the Economic Entity. If this gain had been excluded, revenue of the Economic Entity would have increased instead by 50 per cent to \$784,001 in this half year compared to the previous corresponding half year.

Expenses were reduced substantially in the half year compared to the previous corresponding half year due to a 55 per cent reduction in ISP network cost in this half year, and the absence of provision during the half year compared with the previous corresponding half year when full provision against the investment in the Dalian project and provision against prepayment by GoConnect Ltd were made.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

Since the end of the half year ended 31 December 2001, GoConnect Ltd has introduced a revamped ISP plan to its ISP subscribers. The revamped ISP plan is expected to further reduce the network operating cost of this business with the existing membership. Unlike the previous corresponding half year and the half year to 30 June 2001, after accounting for subscription revenue, the ISP network operating expense is not expected to be a cash drain to the business of GoConnect Ltd. A number of marketing initiatives have been and will continue to be implemented to expand the ISP membership and to further expand this operation's cashflows. Management of both Sino Securities and GoConnect Ltd also implemented a number of cost reduction measures during the period under review which are expected to provide further savings to overheads of the two companies in the current half year.

The Economic Entity announced the establishment of Pharmasafe Pty Ltd with Professor TC Lin on 6 February 2002, the launch of Myprofit.tv Stock Pick of the Week on 11 February 2002, and completion of a placement of 600,000 fully paid ordinary shares on 8 March 2002 at \$0.70 per share. Myprofit.tv Stock Pick of the Week is expected to generate a new source of income for the Economic Entity during the current half year. Pharmasafe Pty Ltd is expected to contribute to the Economic Entity's financial results within the next 12 months.

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

NIL

Changes in accounting policies since the last annual report are disclosed as follows.
(Disclose changes in the half yearly report in accordance with AASB 1029: Half-Year Accounts and Consolidated Accounts. Disclose changes in the preliminary final report in accordance with AASB 1001: Accounting Policies-Disclosure.)

NIL

+ See chapter 19 for defined terms.

Additional disclosure for trusts

19.1 Number of units held by the management company or responsible entity or their related parties.

--

19.2 A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- initial service charges
- management fees
- other fees

--

Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place

--

Date

--

Time

--

Approximate date the ⁺annual report will be available

--

Compliance statement

1 This report has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 12).

Identify other standards used

--

2 This report, and the ⁺accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does/~~does not~~ *(delete one)* give a true and fair view of the matters disclosed (see note 2).

⁺ See chapter 19 for defined terms.

4 This report is based on ⁺accounts to which one of the following applies.

(Tick one)

The ⁺accounts have been audited.

The ⁺accounts have been subject to review.

The ⁺accounts are in the process of being audited or subject to review.

The ⁺accounts have *not* yet been audited or reviewed.

5 If the audit report or review by the auditor is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Act.*)

6 The entity has ~~does not have~~ (*delete one*) a formally constituted audit committee.

Sign here: _____ Date: 15 MARCH 2002
Director

Print name: RICHARD LI

Notes

- For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section.
- True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.
- Consolidated profit and loss account**
 - Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of financial performance*.
 - Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).
- Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts.

+ See chapter 19 for defined terms.

5. **Consolidated balance sheet**

Format The format of the consolidated balance sheet should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Half-Year Accounts and Consolidated Accounts*, and *AASB 1040: Statement of Financial Position*. Banking institutions, trusts and financial institutions identified in an ASIC Class Order dated 2 September 1997 may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last ⁺annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required. Trusts should also note paragraph 10 of *AASB 1029* and paragraph 11 of *AASB 1030: Application of Accounting Standards etc.*

6. **Consolidated statement of cash flows** For definitions of “cash” and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. ⁺Mining exploration entities may use the form of cash flow statement in Appendix 5B.

7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ⁺ordinary securities (ie, all liabilities, preference shares, outside ⁺equity interests etc). ⁺Mining entities are *not* required to state a net tangible asset backing per ⁺ordinary security.

8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the ⁺accounts. Details must include the contribution for each gain or loss that increased or decreased the entity’s consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.

9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. However, an entity may report exact figures, if the \$A’000 headings are amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, if the \$A’000 headings are amended.

10. **Comparative figures** Comparative figures are the unadjusted figures from the previous corresponding period. However, if there is a lack of comparability, a note explaining the position should be attached.

11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the ⁺ASIC under the Corporations Act must also be given to ASX. For example, a directors’ report and declaration, if lodged with the ⁺ASIC, must be given to ASX.

+ See chapter 19 for defined terms.

12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one) must be complied with.
13. **Corporations Act financial statements** As at 1/7/96, this report may be able to be used by an entity required to comply with the Corporations Act as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Relevant Items** AASB 1018 requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. the term "relevance" is defined in AASB 1018. For foreign entities, there are similar requirements in other accounting standards normally accepted by ASX.
16. **\$ Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

ATTACHMENT “A”

SEGMENT INFORMATION

(a) Primary reporting – Business segments

	<i>Sharebroking & Underwriting</i>		<i>Equity Investments</i>		<i>Internet Media</i>		<i>Elimination</i>		<i>Consolidated Entity</i>	
	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total segment revenue	59,903	784,700	303,665	306,127	420,433	142,007	-	(710,230)	784,001	522,604
Unallocated revenue									-	3,400,528
Revenue from ordinary activities									784,001	3,923,132
Segment result	38,777	320,747	303,472	(17,876,983)	(2,310,610)	(6,436,895)	-	(709,433)	(1,968,361)	(24,702,564)
Unallocated expenses									(529,664)	(1,514,925)
Unallocated revenue									-	3,400,528
Profit from ordinary activities before income tax expense									(2,498,025)	(22,816,961)

**SINO SECURITIES
INTERNATIONAL LIMITED**

ABN 99 006 620 739

AND CONTROLLED ENTITIES

HALF-YEAR FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2001

CONTENTS

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DIRECTORS' REPORT

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

The Directors present the financial report of Sino Securities International Limited (“the Parent Entity” or “the Company”) and its controlled entities (together “the Consolidated Entity”) for the half-year ended 31 December 2001.

DIRECTORS

The names of directors who held office during the half-year and until the date of this report are:

- Mr. Man Ban Lee
- Mr. Richard Li
- Mr. Ian Johnston
- Miss Katherine Cheng (Alternate for Mr. M B Lee)

GROUP RESULT

The consolidated operating loss after income tax attributable to members of the Parent Entity amounted to \$1,365,700.

REVIEW OF OPERATIONS

For the half year ended 31 December 2001, consolidated revenue fell 80 per cent to \$784,001 from \$3.9 million of the previous corresponding half year, \$3.4 million of the previous half year’s consolidated revenue was due to a once off accounting gain on reduction of equity interest in GoConnect Ltd, a controlled entity, by the Consolidated Entity. If this gain had been excluded, the total revenue of the Consolidated Entity would have increased instead by 50 per cent to \$784,001 in the half year under review compared to the previous corresponding half year. The consolidated net loss attributable to shareholders for the half year under review decreased substantially to \$1.37 million, compared with a net loss of \$18.8 million of the previous corresponding half year. The decrease in consolidated net loss attributable to shareholders was due to a substantial reduction in consolidated expenses including a 55 per cent reduction in ISP network cost in the half year under review, and the absence of provision during the half year under review compared with the previous corresponding half year when full provision against the investment in the Dalian project and provision against prepayment by GoConnect Ltd were made.

The Consolidated Entity implemented a number of cost reduction measures during the half year under review which are expected to provide further savings to overheads of the Consolidated Entity in the current half year.

This report is signed in accordance with a resolution of the Board of Directors.

RICHARD LI
MANAGING DIRECTOR

Dated in Melbourne this 15th day of March 2002.

CONDENSED STATEMENT OF FINANCIAL PERFORMANCE

HALF-YEAR ENDED 31 DECEMBER 2001

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

		<i>Consolidated Entity</i>	
		<i>31 December</i>	<i>31 December</i>
		<i>2001</i>	<i>2000</i>
	<i>Notes</i>	<i>\$</i>	<i>\$</i>
Revenues from ordinary activities		784,001	3,923,132
Expenses from ordinary activities		(3,282,026)	(26,740,093)
Profit (Loss) from ordinary activities before income tax expense (income tax benefit)	2	(2,498,025)	(22,816,961)
Income tax expense (Income tax benefit) relating to ordinary activities		-	-
Net profit (loss) from ordinary activities after income tax expense (income tax benefit)		(2,498,025)	(22,816,961)
Net profit (loss) attributable to outside equity interests		(1,132,325)	(4,015,555)
Net profit (loss) attributable to members of the Parent Entity		(1,365,700)	(18,801,406)
Increase (Decrease) in asset revaluation reserve		-	(8,982,348)
Total revenues, expenses and valuation adjustments attributable to members of the Parent Entity and recognised directly in equity		-	(8,982,348)
Total changes in equity other than those resulting from transactions with owners as owners		(1,365,700)	(27,783,754)
<i>Basic earnings (loss) per share</i>		<i>(9.5) cents</i>	<i>(132.2) cents</i>
<i>Diluted earnings (loss) per share</i>		<i>(9.5) cents</i>	<i>(130.6) cents</i>

The accompanying notes form part of this financial report.

CONDENSED STATEMENT OF FINANCIAL POSITION

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

	<i>Consolidated Entity</i>	
	<i>As at</i>	<i>As at</i>
	<i>31 December</i>	<i>30 June</i>
	<i>2001</i>	<i>2001</i>
<i>Notes</i>	<i>\$</i>	<i>\$</i>
Current assets		
Cash assets	2,063,999	4,055,788
Receivables	318,524	372,777
Other financial assets	1,611	1,804
Other	139,217	641,947
Total current assets	2,523,351	5,072,316
Non-current assets		
Other financial assets	3,000,000	3,000,000
Property, plant and equipment	1,181,498	1,381,713
Total non-current assets	4,181,498	4,381,713
Total assets	6,704,849	9,454,029
Current liabilities		
Payables	421,495	629,727
Provisions	288,218	304,532
Total current liabilities	709,713	934,259
Non-current liabilities		
Provisions	-	26,608
Total non-current liabilities	-	26,608
Total liabilities	709,713	960,867
Net assets	5,995,136	8,493,162
Equity		
- Contributed equity	10,828,753	10,828,753
- Reserves	15,432,137	15,432,137
- Retained profits (Accumulated losses)	(21,199,875)	(19,834,175)
Parent Entity interest	5,061,015	6,426,715
Outside equity interest	934,121	2,066,447
Total equity	5,995,136	8,493,162

The accompanying notes form part of this financial report.

CONDENSED STATEMENT OF CASH FLOWS

HALF-YEAR ENDED 31 DECEMBER 2001

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

	<i>Consolidated Entity</i>	
	<i>31 December</i>	<i>31 December</i>
	<i>2001</i>	<i>2000</i>
	\$	\$
Cash flows from operating activities		
Cash receipts in the course of operations	539,683	80,588
Cash payments in the course of operations	(2,865,941)	(3,762,831)
Interest received	73,809	108,455
Dividends received	-	6
Interest and costs of finance paid	(3,365)	(7,266)
Net cash provided by (used in) operating activities	(2,255,814)	(3,581,048)
Cash flows from investing activities		
Payment for share investments	-	(95,480)
Proceeds from disposal of share investments	293,508	270,000
Payment for property, plant and equipment	(29,483)	(172,707)
Net cash provided by (used in) investing activities	264,025	1,813
Cash flows from financing activities		
Proceeds from issue of shares	-	10,118,193
Net cash provided by financing activities	-	10,118,193
Net increase (decrease) in cash held	(1,991,789)	6,538,958
Cash at the beginning of the accounting period	4,055,788	2,208,347
Cash at the end of the accounting period	2,063,999	8,747,305

The accompanying notes form part of this financial report.

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

31 DECEMBER 2001

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

NOTE 1 – BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Consolidated Entity as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of Sino Securities International Ltd as at 30 June 2001. It is also recommended that the half-year financial report be considered together with any public announcements made by Sino Securities International Ltd and its controlled entities during the half-year ended 31 December 2001 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

(a) Basis of accounting

The half-year financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 1029 “Interim Financial Reporting” and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

The half-year financial report has been prepared in accordance with the historical cost convention. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(b) Changes in accounting policies

The accounting policies adopted are consistent with those applied in the 30 June 2001 annual financial report.

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

31 DECEMBER 2001

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

Consolidated Entity
2001 **2000**
\$ \$

NOTE 2 – OPERATING PROFIT (LOSS)

(a) Significant items

Profit (loss) from ordinary activities before income tax expense (revenue) includes the following revenue and expenses whose disclosure are relevant in explaining the financial performance of the Consolidated Entity:

(i) Revenues from ordinary activities

Sharebroking and underwriting fees	55,761	67,901
Advertising sales and e-commerce commission	36,650	37,125
Gain on reduction of equity interest in a controlled entity	-	3,400,528
Proceeds on disposal of share investments	303,665	270,000
ISP subscriptions	321,431	-

(ii) Expenses

Provision for diminution in prepayment	-	3,825,000
Provision for diminution in equity investment	-	18,179,229
Internet Service network operating expense	776,162	1,705,853
Employee benefits expense	1,468,561	1,307,726
Sharebroking and underwriting expense	20,925	463,953

NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS

31 DECEMBER 2001

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

NOTE 3 – SEGMENT INFORMATION

(a) Primary reporting – Business segments

	<i>Sharebroking & Underwriting</i>		<i>Equity Investments</i>		<i>Internet Media</i>		<i>Elimination</i>		<i>Consolidated Entity</i>	
	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>	<i>2001</i>	<i>2000</i>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total segment revenue	59,903	784,700	303,665	306,127	420,433	142,007	-	(710,230)	784,001	522,604
Unallocated revenue									-	3,400,528
Revenue from ordinary activities									784,001	3,923,132
Segment result	38,777	320,747	303,472	(17,876,983)	(2,310,610)	(6,436,895)	-	(709,433)	(1,968,361)	(24,702,564)
Unallocated expenses									(529,664)	(1,514,925)
Unallocated revenue									-	3,400,528
Profit from ordinary activities before income tax expense									(2,498,025)	(22,816,961)

NOTE 4 - COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 5 - SUBSEQUENT EVENTS

Since the end of the half year ended 31 December 2001, GoConnect Ltd, a controlled entity, has introduced a revamped ISP plan to its ISP subscribers. The revamped ISP plan is expected to further reduce the network operating cost of this business with the existing membership. Unlike the previous corresponding half year and the half year to 30 June 2001, after accounting for subscription revenue, ISP network operating expense is not expected to be a cash drain to the business of GoConnect Ltd in the current half year. A number of marketing initiatives have been and will continue to be implemented to expand the ISP membership and to further expand this operation's cashflows.

The Consolidated Entity announced the establishment of Pharmasafe Pty Ltd with Professor TC Lin on 6 February 2002, the launch of Myprofit.tv Stock Pick of the Week on 11 February 2002, and completion of a placement of 600,000 fully paid ordinary shares on 8 March 2002 at \$0.70 per share. Myprofit.tv Stock Pick of the Week is expected to generate a new source of income for the Consolidated Entity during the current half year. Pharmasafe Pty Ltd is expected to contribute to the Consolidated Entity's financial results within the next 12 months.

DIRECTORS' DECLARATION

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

The directors of Sino Securities International Ltd declare that:

- (1) the financial statements and notes of the Consolidated Entity, as set out on pages 2 to 7:
 - (a) give a true and fair view of the financial position as at 31 December 2001 and the performance for the half-year ended on that date of the Consolidated Entity; and
 - (b) comply with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations; and
- (2) in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

RICHARD LI
MANAGING DIRECTOR

Dated in Melbourne this 15th day of March 2002

INDEPENDENT REVIEW REPORT

TO THE MEMBERS OF SINO SECURITIES INTERNATIONAL LIMITED

SINO SECURITIES INTERNATIONAL LIMITED ABN 99 006 620 739 AND CONTROLLED ENTITIES

SCOPE

We have reviewed the financial report of Sino Securities International Limited (“the Company”) for the half-year ended 31 December 2001 as set out on pages 2 to 8. The financial report includes the consolidated financial statements of the Consolidated Entity comprising the Company and the entities it controlled at the end of the half-year or from time to time during the half-year. The Company's directors are responsible for financial report. We have conducted an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 “Interim Financial Reporting” and other mandatory professional reporting requirements and statutory requirements, so as to present a view which is consistent with our understanding of the Consolidated Entity’s financial position and performance as represented by the results of its operations and its cash flows, and in order for the Company to lodge the financial report with the Australian Securities and Investments Commission and Australian Stock Exchange Ltd.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. Our review was limited primarily to inquiries of company personnel and analytical review procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

REVIEW STATEMENT

As a result of our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Sino Securities International Ltd is not in accordance with:

- (1) the Corporations Act 2001, including
 - (a) giving a true and fair view of the Consolidated Entity’s financial position as at 31 December 2001 and of its performance for the half-year ended on that date; and
 - (b) complying with Accounting Standard AASB 1029 “Interim Financial Reporting” and the Corporations Regulations; and
- (2) other mandatory professional reporting requirements.

**BENTLEYS MRI
CHARTERED ACCOUNTANTS**

**GEOFFREY J KELLY
PARTNER**

Dated in Melbourne this 15th day of March 2002