



SINO SECURITIES INTERNATIONAL LIMITED

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ACN 006 620 739

INVESTMENT BANKERS

Sino Investment Services Pty Ltd (ACN 006 643 152)
Sino Business Services Pty Ltd (ACN 006 923 397)
SSI Nominees Pty Ltd (ACN 006 724 956)
Sino Investments Pty Ltd (ACN 006 643 143)
Sino Asset Management Pty Ltd (ACN 007 282 797)

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6 September 2000

Total no of pages: - 20 -

Australian Stock Exchange Ltd
Company Announcements Platform
By Fax: 1300 300 021

Dear Sir

Re: Financial Results of Sino Securities International Limited for the year ended 30 June 2000

- Sales revenue increased by 42 per cent to \$451,804
- Operating profit attributable to shareholders increased by 982 per cent to 6,369,083
- NTA increased by 12 per cent to \$2.70 per share

The Board of Directors of Sino Securities International Ltd (“SSI” or “the Company”) is pleased to report on the results of the Company for the financial year ended 30 June 2000. Sales revenue increased by 42 per cent to \$451,804 while operating profit after abnormal items and income tax attributable to shareholders of the Company increased by 982 per cent to 6,369,083 compared to the previous year.

During the financial year ended 30 June 2000, SSI made significant progress in the development of its internet media business, GoConnect Ltd (“GoConnect”). Significant resources of the Company were devoted to bring about the success of GoConnect.

The raising of \$15.7 million of seed capital for 21.4 per cent of GoConnect during the financial year boosted the value of SSI’s interest in GoConnect. The consolidated financial results, in accordance with Australian Accounting Standard AASB 1024, accounted for a gain of \$12,029,195 due to the Company’s investment in GoConnect.

After consolidating the operating results of GoConnect to 30 June 2000, SSI achieved an operating profit attributable to shareholders of \$6,369,083. Operating profit attributable to shareholders is equivalent to 45.06 cents per share. Net Tangible Asset Backing per fully paid ordinary share improved from \$2.41 to \$2.70 per share as at 30 June 2000, an improvement of 12 per cent over the previous year.

SSI’s investment of a 20 per cent interest in Multelink Australia Pty Ltd (“Multelink”) has performed to expectation, with the company having successfully completed its commercial testing of the SmartPhone technology. Multelink is now in a position to significantly expand its marketing effort through the media and direct mail campaigns with an emphasis on the corporate sector. Recent marketing initiatives directed at the Small and Medium sized Enterprises (“SMEs”) have generated excellent responses. A high proportion of these responses have been converted to Multelink subscribers. Following rigorous testing of the SmartPhone by a number of large corporate organisations and many SMEs, the company is now confident of expanding its subscriber base both in the residential and the corporate sectors. The company’s telephony revenue has been accelerating monthly.

SSI’s much improved financial performance for the year ended 30 June 2000 demonstrates the success of the Company’s long term strategy in improving shareholders’ wealth through the proactive development of and investment in high growth and well managed businesses.

Yours faithfully

Richard Li
Managing Director
Sino Securities International Ltd

Appendix 4B (rule 4.13(a))

Half yearly/preliminary final report

Introduced 1/12/97. Origin: Appendices 3, 4. Amended 1/7/98, 1/9/99, 1/7/2000.

Name of entity

SINO SECURITIES INTERNATIONAL LIMITED

ACN, ARBN or ARSN

006 620 739

Half yearly
(tick)

Preliminary
final (tick)

✓

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

30 JUNE 2000

Equity accounted results for announcement to the market

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

\$A'000

Sales (or equivalent operating) revenue <i>(item 1.1)</i>	up	41.7%	to	452
Abnormal items after tax attributable to members <i>(item 2.5)</i>	gain of			12,029
+Operating profit (loss) after tax (before amortisation of goodwill) attributable to members <i>(item 1.26)</i>	up	982.1%	to	6,369
+Operating profit (loss) after tax attributable to members <i>(item 1.10)</i>	up	982.1%	to	6,369
Extraordinary items after tax attributable to members <i>(item 1.13)</i>	gain (loss) of			N/A
+Operating profit (loss) and extraordinary items after tax attributable to members <i>(item 1.16)</i>	up	982.1%	to	6,369
Dividends (distributions)		Amount per security		Franked amount per security at 36% tax
Final dividend <i>(Preliminary final report only - item 15.4)</i>		N/A	¢	N/A
Interim dividend <i>(Half yearly report only - item 15.6)</i>		N/A	¢	N/A
Previous corresponding period <i>(Preliminary final report - item 15.5; half yearly report - item 15.7)</i>		N/A	¢	N/A
+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) <i>(see item 15.2)</i>		N/A		
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 Sales (or equivalent operating) revenue	452	319
1.2 Share of associates' "net profit (loss) attributable to members" (equal to item 16.7)	-	-
1.3 Other revenue	150	19,723
1.4 +Operating profit (loss) before abnormal items and tax	(7,035)	(722)
1.5 Abnormal items before tax (detail in item 2.4)	12,029	-
1.6 +Operating profit (loss) before tax (items 1.4 + 1.5)	4,994	(722)
1.7 Less tax	-	-
1.8 +Operating profit (loss) after tax but before outside +equity interests	4,994	(722)
1.9 Less (plus) outside +equity interests	1,375	-
1.10 +Operating profit (loss) after tax attributable to members	6,369	(722)
1.11 Extraordinary items after tax (detail in item 2.6)	-	-
1.12 Less outside +equity interests	-	-
1.13 Extraordinary items after tax attributable to members	-	-
1.14 Total +operating profit (loss) and extraordinary items after tax (items 1.8 + 1.11)	4,994	(722)
1.15 +Operating profit (loss) and extraordinary items after tax attributable to outside +equity interests (items 1.9 + 1.12)	1,375	-
1.16 +Operating profit (loss) and extraordinary items after tax attributable to members (items 1.10 + 1.13)	6,369	(722)
1.17 Retained profits (accumulated losses) at beginning of financial period	12,089	12,811
1.18 If change in accounting policy as set out in clause 11 of AASB 1018 Profit and Loss Accounts, adjustments as required by that clause (include brief description)	-	-
1.19 Aggregate of amounts transferred from reserves	-	-
1.20 Total available for appropriation (carried forward)	18,458	12,089

+ See chapter 19 for defined terms.

Consolidated profit and loss account continued

1.20	Total available for appropriation (<i>brought forward</i>)	18,458	12,089
1.21	Dividends provided for or paid	-	-
1.22	Aggregate of amounts transferred to reserves	-	-
1.23	Retained profits (accumulated losses) at end of financial period	18,458	12,089

Profit restated to exclude amortisation of goodwill

	Current period \$A'000	Previous period \$A'000	corresponding
1.24	+Operating profit (loss) after tax before outside equity interests (items 1.8) and amortisation of goodwill	4,994	(722)
1.25	Less (plus) outside +equity interests	1,375	-
1.26	+Operating profit (loss) after tax (before amortisation of goodwill) attributable to members	6,369	(722)

Intangible, abnormal and extraordinary items

		<i>Consolidated - current period</i>			
	Before tax \$A'000	Related tax \$A'000	Related outside +equity interests \$A'000	Amount (after tax) attributable to members \$A'000	
2.1	Amortisation of goodwill	-	-	-	
2.2	Amortisation of other intangibles	-	-	-	
2.3	Total amortisation of intangibles	-	-	-	
2.4	Abnormal items Gain made on reduction of equity interest in a controlled entity <i>in accordance with AASB 1024 "Consolidated Accounts"</i> .	12,029	-	12,029	
2.5	Total abnormal items	12,029	-	12,029	
2.6	Extraordinary items	-	-	-	
2.7	Total extraordinary items	-	-	-	

Comparison of half year profits

		Current year - \$A'000	Previous year - \$A'000
<i>(Preliminary final report only)</i>			
3.1	Consolidated +operating profit (loss) after tax attributable to members reported for the <i>1st</i> half year (item 1.10 in the half yearly report)	(852)	414
3.2	Consolidated +operating profit (loss) after tax attributable to members for the <i>2nd</i> half year	7,221	(1,136)

+ See chapter 19 for defined terms.

Appendix 4B (rule 4.13(a))
Half yearly/preliminary final report

Consolidated balance sheet (See note 5)		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	2,208	115	2,687
4.2	Receivables	59	80	60
4.3	Investments	74	289	203
4.4	Inventories	-	-	-
4.5	Other (provide details if material) #	7,661	35	795
4.6	Total current assets	10,002	519	3,745
Non-current assets				
4.7	Receivables	-	-	-
4.8	Investments in associates	-	-	-
4.9	Other investments	30,162	30,164	30,162
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)	1,108	165	172
4.14	Intangibles (net)	-	-	-
4.15	Other (provide details if material)	-	-	-
4.16	Total non-current assets	31,270	30,329	30,334
4.17	Total assets	41,272	30,848	34,079
Current liabilities				
4.18	Accounts payable	587	195	43
4.19	Borrowings	-	-	-
4.20	Provisions	190	138	126
4.21	Other (provide details if material)	-	3	1
4.22	Total current liabilities	777	336	170
Non-current liabilities				
4.23	Accounts payable	-	-	-
4.24	Borrowings	-	-	-
4.25	Provisions	44	9	37
4.26	Other (provide details if material)	-	-	-
4.27	Total non-current liabilities	44	9	37
4.28	Total liabilities	821	345	207
4.29	Net assets	40,451	30,503	33,872

Includes \$7,631,000 prepayments which are made up by (i) prepaid telecommunication expenses, and (ii) prepaid marketing expenses which are expected to be fully utilised on or before 30 June 2001.

+ See chapter 19 for defined terms.

Consolidated balance sheet continued (See note 5)	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
Equity			
4.30 Capital	10,694	9,429	10,679
4.31 Reserves	8,985	8,985	11,576
4.32 Retained profits (accumulated losses)	18,458	12,089	11,237
4.33 Equity attributable to members of the parent entity	38,137	30,503	33,492
4.34 Outside +equity interests in controlled entities	2,314	-	380
4.35 Total equity	40,451	30,503	33,872
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.

Appendix 4B (rule 4.13(a))
Half yearly/preliminary final report

Consolidated statement of cash flows

(See note 6)

		Current period \$A'000	Previous corresponding period - \$A'000
Cash flows related to operating activities			
7.1	Receipts from customers	478	410
7.2	Payments to suppliers and employees	(12,552)	(1,390)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	132	8
7.6	Interest and other costs of finance paid	(16)	(5)
7.7	Income taxes paid	-	-
7.8	Other (provide details if material)	(3)	-
7.9	Net operating cash flows	(11,961)	(977)
Cash flows related to investing activities			
7.10	Payment for purchases of property, plant and equipment	(934)	(8)
7.11	Proceeds from sale of property, plant and equipment	-	-
7.12	Payment for purchases of equity investments	-	(3,322)
7.13	Proceeds from sale of equity investments	5	1,099
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	(929)	(2,231)
Cash flows related to financing activities			
7.18	Proceeds from issues of +securities (shares, options, etc.)	14,983	3,250
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	(747)
7.21	Dividends paid	-	-
7.22	Other (provide details if material)	-	-
7.23	Net financing cash flows	14,983	2,503
7.24	Net increase (decrease) in cash held	2,093	(705)
7.25	Cash at beginning of period (see Reconciliation of cash)	115	820
7.26	Exchange rate adjustments to item 7.25	-	-
7.27	Cash at end of period (see Reconciliation of cash)	2,208	115

+ See chapter 19 for defined terms.