



Core Healthcare Investment Holdings Ltd

確思醫藥投資控股有限公司*

(formerly known as Plasmagene Biosciences Limited*)

(前名稱普施基因生物科技有限公司*)

(Incorporated in the Cayman Islands with limited liability) (Stock Code: 8250)

(於開曼群島註冊成立之有限公司)(股份代號：8250)

年報
Annual Report

2007



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本報告乃遵照聯交所創業板證券上市規則（「創業板上市規則」）的規定而提供有關確思醫藥投資控股有限公司（「本公司」）的資料。本公司各董事（「董事」）願就本報告共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所知及確信：(1)本報告所載的資料在各重大方面均屬真實及完整，且無誤導成份；(2)本報告並無遺漏任何事項，致使本報告任何內容有所誤導；及(3)本報告表達的所有意見已經審慎周詳考慮並按公平合理的基準及假設而作出。

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Lui Chi Wah, Johnny
Mr. Wu Kai

執行董事

呂志華先生
吳楷先生

NON-EXECUTIVE DIRECTOR

Mr. Lau Kam Shan

非執行董事

劉金山先生

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwok Shun Tim
Mr. Chan Po Kwong
Mr. Lam Yan Wing

獨立非執行董事

郭純恬先生
陳寶光先生
林欣榮先生

REGISTERED OFFICE

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COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Ms. Leung Wai Man CPA

公司秘書及合資格會計師

梁慧敏女士 CPA

AUTHORISED REPRESENTATIVES

Mr. Lui Chi Wah, Johnny
Ms. Leung Wai Man

授權代表

呂志華先生
梁慧敏女士

COMPLIANCE OFFICER

Mr. Lui Chi Wah, Johnny

監察主任

呂志華先生

AUDIT COMMITTEE MEMBERS

Mr. Kwok Shun Tim
(Chairman of Audit Committee)
Mr. Chan Po Kwong
Mr. Lam Yan Wing

審核委員會成員

郭純恬先生
(審核委員會主席)
陳寶光先生
林欣榮先生

CORPORATE INFORMATION

公司資料

REMUNERATION COMMITTEE

Mr. Lui Chi Wah, Johnny
Mr. Kwok Shun Tim
Mr. Chan Po Kong

薪酬委員會

呂志華先生
郭純恬先生
陳寶光先生

AUDITORS

RSM Nelson Wheeler
Certified Public Accountants

核數師

羅申美會計師行
執業會計師

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Dah Sing Bank Limited
Wing Hang Bank, Limited

主要往來銀行

香港上海滙豐銀行有限公司
大新銀行有限公司
永亨銀行有限公司

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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CHAIRMAN'S STATEMENT 主席報告

On behalf the board of directors of Core Healthcare Investment Holdings Ltd. (the "Board"), I am pleased to present the annual results of the Company and its subsidiaries (the "Group" or "Core Healthcare") for the year ended on 30 June 2007 (the "Year").

During the Year under review the Group's new management team had worked relentlessly and made strenuous effort to turn loss into profit – a net profit of HK\$8.4 million was accomplished for the Group. And it had been the first best performing year since the Group's listing on the Stock Exchange of Hong Kong in 2004.

Although Hong Kong managed to sustain its economic growth with robust performance, challenges loomed ahead for small and medium enterprises. Labor cost was fueled by the tight skilled human resource market while property rents continued to surge with the booming capital market. The small and medium enterprises, facing competitions from all facets, could not enjoy the benefits that a burgeoning economic should contribute. Encountering these challenges, the Group has all along been relentlessly making its best effort to earn the best profits - to solidify its original business on one hand and to explore new source of revenue on the other. Our investment business gained an exceptionally good return for the Group during the Year.

The investment climate in Hong Kong's capital market began to improve from its doldrums after the SARS outbreak succumbed. Leveraging on this opportunity, the Group revisited its investment strategy. The US\$1 million investment in US bonds was disposed of and reinvested in Hong Kong equity stocks. Despite the volatility of Hong Kong's stock market, the Group achieved a good result with an investment profit of approximately HK\$15.6 million. Based on the capital invested at the year-end, investment return was approximately 1.5 times.

Core Healthcare's original cancer diagnosis testing service had been encountering competitions from individual private hospitals and hence its turnover had been negative impacted. With respect to the sale of health food, the Group opened two retail shops during the Year. Nevertheless, due to high operating cost, their development in the retail sector turned out to be sluggish.

To maximize shareholders' value the Company had cut down its operating expenses – patent loyalty fees were stopped in a number of regions and human resource was re-structured. As a result, total expenses was reduced to HK\$6.84 million by 36.7% comparing with the previous financial year. And this was one of the contributing factor to the Year's turning loss into profit.

The Group realized that for an enterprise to grow and strengthen it must be equipped with a strong financial position and adequate cash flow. Over the Year, the Board had endeavored to increase net asset value and solidify its liquidity position. The Group's total assets increased from the previous year's 29 million to 41 million of which more than 90% was current assets. Capitalizing on the buoyant global equity markets that provided liquidity, the Group started to place its new shares to the market. Approximately HK\$50 million were secured upon completion.

本人謹代表確思醫藥投資控股有限公司董事會（「董事會」）欣然提呈本公司及其附屬公司（「本集團」或「確思」）截至2007年6月30日止十二個月（「期內」）之全年業績報告。

過去一年，本集團經過新管理階層努力經營之後，業績轉虧為盈，全年賺取到840萬港元之稅後利潤，為本集團自2004年於港交所上市以來，表現最出色的一年。

雖然香港過去一年經濟保持強勁增長，但中小企經營環境依然充滿挑戰，勞工成本隨著人力資源市場緊張而上漲，租金則隨著資本市場膨脹而上升，令到中小企在競爭方面的壓力不斷上升，抵銷了經濟繁榮所帶來的好處。本集團為爭取最佳之盈利表現，一方面努力鞏固原有之業務，另一方面積極開拓新的收入來源，其中投資業務取得最理想之成績。

自沙士之後，本港資本市場投資氣候良好，本集團充分把握此一契機，重組公司之投資策略，沽售原持有約一百萬美元之美國債券投資，把資金轉投於香港證券市場。期間香港股市雖然表現反覆，但本集團仍能取得佳績，投資利潤約1,560萬港元，以期內最後一日投入之資本計算，投資資金回報率約1.5倍。

確思原有之癌症診斷測試服務面對個別私營醫院介入競爭，營業額受到一定程度影響。保健食品銷售方面，期內共開設兩間零售店舖，由於經營成本年來顯著上升，因此有關的業務發展步伐放緩。

為了替小股東爭取最大之利益，公司極力樽節開支，包括大幅削減研發開支，終止支付多個地區之專利費用，重整人力資源結構。因此期內之總支出僅684萬港元，較前年同期減少36.7%，也是本年度轉虧為盈的另一原因。

本集團深諳企業能夠迅速壯大，必須要有雄厚的財政實力及充足的流動現金，過去一年董事局一直致力於提升集團之資產淨值及強化現金基礎，令本集團之總資產值從前年度的2,900萬港元增加至逾4,100萬港元，其中超過九成為流動資產。適逢環球證券市場投資氣氛熾熱，資金充裕，本集團把握時機配售新股籌集資金，完成配售之後約籌得資金淨額約5,000萬港元。

CHAIRMAN'S STATEMENT

主席報告

In spite of successfully turning loss into profit in the Year, the Group saw no improvement in its original business and health food retails. Hence, we will continue our effort to seek for new directions and explore new and related medical businesses. Going forward, the Group plans to develop new businesses related to medicinal products, including agency, wholesale and retail, and will focus on the PRC market.

On the cancer diagnosis testing front, the Group will continue to maintain its original services but will significantly cut down the related research and development expenses. After years' effort, the cancer diagnosis products of the Group still cannot penetrate into the markets of Europe, Japan and Australia. No breakthrough development is expected in the foreseeable future. Therefore the patent registrations of those related markets will be gradually withdrawn upon their maturity in order to reduce the patent registration expenses.

The risk of running a retail business is looming high. Thus the Group will reevaluate the future prospects of its health food retailing ventures and plan accordingly.

Despite the US sub-prime mortgages woe that has loomed into credit crunches plaguing major global financial markets and taken tolls on almost every stock markets in the world. Hong Kong's stock markets has demonstrated that it has a strong and solid base that can withstand the blow. Hong Kong maintains robust economic growth and the market is liquid, and is supported by strong earning performance of the enterprise in general. The "through train" investment scheme promulgated by the PRC central government, which allows residents in China to directly invest in publicly listed Hong Kong stocks, further boosted the market sentiment. Our management team includes seasoned and excellent investment management professionals. It is assured that they will continue to exploit their competitive edge for earning a more ideal return for the shareholders.

Finally and on behalf of the Board I would like to extend my heartfelt appreciation to the strenuous work of our staff force over the Year and to the trust and support of our shareholders.

Lui Chi Wah, Johnny
Chairman

Hong Kong, 13 September 2007

雖然本年度，本集團成功轉虧為盈，但固有之業務及保健食品銷售業務方面未見改善，所以本集團將繼續努力尋找發展新方向，開拓新的醫療相關業務。未來本集團擬開發藥品有關之業務包括藥品代理、批發及銷售等，而且以國內市場為主。

癌症診斷測試服務方面，本集團將繼續維持固有之服務，但研究開發之費用將繼續大幅削減。經過多年努力，集團之癌症測試產品依然未能打進歐洲國家、日本以及澳洲等市場，預期在可見之時間內仍難望有突破性發展，因此有關這些國家的專利權在屆滿時陸續放棄，以減省專利費支出。

至於保健產品銷售方面，本港零售銷售行業面對的經營風險正不斷上升，集團必須重新評估這行業的前景，再作新的部署。

雖然全球金融市場在美國次級按揭貸款危機問題沖擊下震盪，各地股市更一度大幅暴瀉，但香港證券市場基礎良好，經濟持續高速增長，市場資金充裕，企業盈利表現理想，加上中央政府最新實施的港股直通車試驗計劃，允許國內居民直接投資港股，因此港股未來前景依然看俏。管理層擁有卓越及專業之投資管理經驗，將會繼續發揮此一優勢，冀能在新財政年度為各股東賺取更理想的回報。

最後，本人謹代表董事會感激全體員工過去一年的努力不懈，以及各股東對集團的信任和支持！

主席
呂志華

香港，二零零七年九月十三日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

The Group's turnover for the year ended 30 June 2007 amounted to approximately HK\$1,298,000, as compare with approximately HK\$1,368,000 for the year ended 30 June 2006.

Profit attributable to shareholders of approximately HK\$8.40 million resulted in an earning per share of 2.23 Hong Kong cents for the current year, while a loss of HK\$9.57 million was recorded for the prior year with a basic loss per share of 2.55 HK cents.

BUSINESS REVIEW

The Group recorded a turnover of approximately HK\$1.3 million for the year ended 30 June 2007, reduced by approximately 5% comparing with the previous financial year. The Group's nasopharyngeal carcinoma diagnosis and testing service encountered fiercer yet fiercer competition, affecting revenues from EBgene, EBeasy and EBcombo. In addition, revenue generated from the "Hong Kong Hepatitis Diagnostic Centre" that provides Fibroscan testing service resulted in a small income only and thus did not contribute enough to boost the Group's operating performance. However, the newly started health care products retail business began to provide new stable source of revenue. By the end of calendar year 2006, the Group's first retail store of health food at the Hau Tak shopping centre of Tseung Kwan O was reporting satisfactory progress until the fire in the adjacent Hau Tak Market occurred in March this year. The store's business went downturn since then. Up to the end of this financial year, its business had not resumed to normal. Our second health food retail chain store in Shatin was up and running by the end of June.

Cost of sales in the year under review was only HK\$1,088,000, representing a decrease of 16.9%. The Group's gross profit for the year was HK\$210,000 with a gross profit margin of 16.2%. During the year, the Group continued its endeavor to explore and develop cancer diagnosis markets in Europe and Japan, but with a sluggish progress. Under this circumstance and due to the costly maintenance of patent registrations in those places, the Board finally decided to withdraw all patent registrations there. As a result, only China and Australia remain to be the countries where we are having patent registrations. During the year the Group stopped its research on cancer diagnosis. This coupled with the depreciation on our laboratories already provided in the previous financial year had significantly reduced depreciation and amortization expenses for the year under review, thus tremendously trimming down the cost of sales.

財務回顧

截至2007年6月30日止年度，本集團的營業額約為1,298,000港元，而截至2006年6月30日止則約為1,368,000港元。

股東應佔溢利約為840萬港元，因此本年度每股基本盈利為2.23港仙，而去年則錄得虧損為957萬港元，每股基本虧損為2.55港仙。

業務回顧

本集團截至2007年6月30日止之年度營業額約130萬港元，較去年同期減少5%。由於集團提供以鼻咽癌為主之癌症診斷及測試服務，市場競爭日趨激烈，影響了來自EB準、EB易以及普施組合的收入。此外，提供肝纖維化掃描測試服務的「香港肝炎診斷中心」，期內僅有微量收益，對集團之營業表現亦有影響。不過，新開展的保健食品銷售業務則為集團帶來一項新的穩定收入。去年底，本集團於新界將軍澳厚德邨商場開設首間健康食品連鎖銷售店，業務進展令人滿意，但今年三月被該商場街市火警所波及，業務大受影響，至本財政年度止，情況尚未完全恢復過來。至於位於沙田希爾頓中心的第二間健康食品連鎖銷售店已於今年六月下旬啟業。

期內之銷售成本較去年同期減少16.9%，僅1,088,000港元，因此本集團年度內之毛利為210,000港元，毛利率為16.2%。過去一年，本集團繼續努力開拓歐洲以及日本等癌症醫療診斷市場，唯進度十分緩慢，註冊專利所需之費用繁多，故此董事局決定放棄該等地區之專利權，目前僅餘中國以及澳洲之專利註冊。此外，本集團亦終止有關癌症診斷之研究工作，加上實驗室於去年度已作充足折舊，期內有關之折舊撥備大幅減少，這都是銷售成本大幅削減的原因。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's laboratory continued to secure the certification of ISO 9001 13485 last year. In addition, the health food retail store in Tseung Kwan O also secured the certification of ISO 9001.

During the year, the Group once negotiated to acquire a health product company in order to extend its business base. As the negotiation concluded no agreement and was hence discontinued.

The Group turned loss into profit in the financial year. Majority of the profit came from other income which increased by approximately 13.88 times to HK\$16,417,000 that in turn was mainly contributed by the gain on securities investment. The Group sold its US bonds in the third quarter of calendar year 2006, and invested the fund liquidated in the Hong Kong Stock Market and its derivatives. While Hang Seng Index went up from 18,000 points to 21,000 points – an increase of 17% – during the period, the return on investment gained during the same period was approximately 1.5 times. For the year ended 30 June 2007, profit on securities trading was HK\$11.36 million with an unrealised profit of HK\$4.23 million.

During the previous financial year and pursuant to the agreement made with the Chinese University of Hong Kong Foundation Limited (the "University"), 4,067,796 shares of share option with an exercise price of HK\$0.295 per share were granted to the University. Hence, share base payment amounted to HK\$785,296 in the year under review.

Capitalizing on the booming stock market and the liquidity in the equity market, the Group entered into placing agreements with an independent placing agent in June 2007 to place its new shares for the first time in the market, the placing was done separately in two times after this financial year end. Both placings were fixed at HK\$0.17 with the first placing of 74,836,000 shares of new shares, representing pre-enlarged issued share equity of approximately 19.56% and raising a net proceed of HK\$12 million. The second placing involved new shares of 229,552,000 shares, accounting total issued share equity which after the first placement of 49.05%, raising a net proceed of HK\$38 million.

FUTURE OUTLOOK

While we will continue our cancer diagnosis and health products sale businesses despite the fierce competitions that we expect to encounter, the Board will regularly evaluate their future prospects for the Group so that adjustment can be made to our business development strategy.

本集團之化驗所去年繼續獲得ISO 9001 13485之驗證。另外，位於將軍澳之保健食品銷售店亦取得ISO 9001驗證。

期內集團曾嘗試洽商收購保健產品公司，進一度擴大業務基礎，唯未能達致任何協議，有關洽購經已終止。至於開拓國內醫藥產品銷售業務方面，目前仍在探索階段。

本財政年度集團轉虧為盈，主要是其他收入大幅增加至16,417,000港元，較去年同期上升逾13.88倍，盈利極大部份來自證券投資收益。本集團於2006年第三季度出售原持有之美國債券，把資金投資於香港股票市場以及其衍生工具。期間恆生指數從18,000點上升至21,000點水平，升幅約17%。本集團截至2007年6月30日止之證券投資收益達1,136萬港元，而持有之證券未兌現利潤約423萬港元，以結算日投入之資本計算，投資回報率約達1.5倍！

本年度內，本集團依據與中文大學之協議，以每股0.295港元之認購價，授予4,067,796股認股權證予對方，因此期內以股權為基礎之支出為785,296港元。

今年六月中，本集團乘著香港股市交投暢旺，市場資金充裕，作出首次集資行動，與一名獨立配售代理人簽訂有關之協議，向市場配售新股，有關配售於本財政年度後共分兩次進行，兩次均以0.17元作價，首次發售新股74,836,000股，約佔擴大前已發行股本19.56%，集資淨額1,200萬港元。第二次發售新股229,552,000股，約佔第一次配售後總發行股本49.05%，集資淨額3,800萬港元。

未來展望

癌症診斷測試服務及保健產品銷售業務將會持續，唯該兩行業面對競爭日益劇烈，董事局將定期評估有關業務之前景，以調整未來發展策略。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

We achieved good performance with respect to the Group's investment management for the financial year under review. With China's and Hong Kong's sustaining economic boom, it is expected that we will be able to continue with such an encouraging result in the foreseeable future. The Chinese government's macro-economic control has gotten more and more stringent to hopefully slow down the pace of the country's economic growth. This could however be only beneficial to the healthy development of the market. Despite the global financial market may continue to be impacted by the risk of sustaining credit crunch. It is expected that the global economy will be able to maintain a mild growth. Government financial officials of countries that have been affected by the recent financial turmoil are expected to adopt policies that would stabilize the market. As a result, the Board remains confident about Hong Kong's stock market in the year to come.

In view of the Group's ideal fruition in its investment income, additional investment will be made in the new financial year for investing in the Hong Kong stock market. The investment will be weighted with shares that invest in China and command high growth potential.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2007, the Group held cash and bank balances of approximately HK\$4,122,000 (2006: approximately HK\$18,039,000). Net current assets amounted to approximately HK\$34,799,000 (2006: approximately HK\$25,442,000). Current ratio (defined as total current assets divided by total current liabilities) was approximately 13.7 times (2006: approximately 40.0 times).

The Group had no bank borrowing as at 30 June 2007 (2006: Nil).

CAPITAL STRUCTURE

The shares of the Company were listed on GEM on 18 June 2004 (the "Listing Date"). There has been no change in the capital structure of the Company since the Listing Date. As at 30 June 2007, total equity attributable to shareholders was approximately HK\$38,055,000 (2006: approximately HK\$27,864,000).

Most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars. As at 30 June 2007, the Group had no significant exposure to foreign exchange and interest rate risks.

CAPITAL COMMITMENT

As at 30 June 2007, the Group and the Company had no significant capital commitment (2006: Nil).

資產投資管理方面，本年度取得驕人的成績，加上中國及本港經濟保持高速增長，在可見的一段時間內仍將持續。中國政府採取較大力度之宏觀調控措施，冀能為強勁的經濟發展步伐降溫，長遠來說有利市場健康發展。環球金融市場今年下半年雖然面對信貸收縮的風險，但全球經濟仍可保持溫和增長，而且各國財金官員果斷及理性的政策措施，亦有助穩定市場。董事會對未來一年金融市場仍充滿信心。

鑑於本集團理想的投資成果，因此新財政年度將增加投資金額，繼續致力於本港證券市場投資，並以投資國內具增長潛力之股份為主。

流動資金及財務資源

於2007年6月30日，本集團的現金及銀行結餘約為4,122,000港元（2006年：約18,039,000港元）。流動資產淨值約為34,799,000港元（2006年：約25,442,000港元）。流動比率（界定為總流動資產除以總流動負債）約為13.7倍（2006年：約40.0倍）。

於2007年6月30日，本集團並無銀行借款（2006年：無）。

資本結構

本公司股份於2004年6月18日（「上市日期」）在創業板上上市。本公司的資本結構自上市日期起並無變動。於2007年6月30日，股東應佔股本總額約為38,055,000港元（2006年：約27,864,000港元）。

本集團的大部份買賣交易、資產與負債均以港元計值。於2007年6月30日，本集團並無重大外匯及利率風險。

資本承擔

於2007年6月30日，本集團及本公司概無重大資本承擔（2006年：無）。

MANAGEMENT DISCUSSION AND ANALYSIS**管理層討論及分析****EMPLOYEE INFORMATION**

A breakdown of the number of staff of the Group by functions as at 30 June 2007 and 2006 is set out below:

		2007	2006
Management	管理層	2	2
Sales and marketing	銷售及市場推廣	3	3
Laboratory	化驗所	2	3
Administration and finance	行政及財務	3	3
		10	11

All the employees are stationed in Hong Kong.

An employee's remuneration includes basic salary, year-end bonus and other allowances. Employees are remunerated based on their respective educational background, position and working experience. There are annual performance appraisal for promotion and salary increase. In addition, each employee enjoys mandatory provident fund, medical allowance and other fringe benefit.

During the year under review, the Group did not grant any share option to employees or directors.

CONTINGENT LIABILITIES

As at 30 June 2007, the Group had no significant contingent liabilities.

僱員及薪酬政策

於2006年及2007年6月30日，以職務劃分的本集團員工數目如下：

		2007	2006
Management	管理層	2	2
Sales and marketing	銷售及市場推廣	3	3
Laboratory	化驗所	2	3
Administration and finance	行政及財務	3	3
		10	11

所有僱員均長駐香港。

僱員的薪酬包括基本薪金、年終花紅及其他津貼。各僱員之薪酬乃根據其學歷、職位以及工作經驗而訂定，而且每年均有員工表現評估，以作為升職及加薪之依據。此外，各僱員亦享有強制性公積金、醫療津貼等其他福利。

本年度，集團並無向僱員或董事授予任何購股權。

或然負債

於2007年6月30日，本集團並無重大或然負債。

BUSINESS OBJECTIVES AND ACTUAL BUSINESS PROGRESS COMPARISON**業務目標與實際業務進展的比較**

On the Listing Date, the Company obtained net proceeds, after deducting all relevant expenses, of approximately HK\$32 million from the new issue of shares by way of public offer and placing. The Group has applied the net proceeds for the period from the Listing Date to 31 December 2006 as follows:

於上市日期，本公司藉公開發售及配售發行新股籌得款項（扣除全部有關開支後）約3,200萬港元。由上市日期至2006年12月31日止期間，本集團已將所得款項淨額撥作以下用途：

		Planned	Actual
		擬定	(Approximately)
		HK\$	實際
		港元	(約數)
			HK\$
			港元
Patent expenditures	專利開支	4,300,000	1,263,000
Product marketing	產品推廣	13,400,000	1,183,000
Compliance requirements	監察規定	3,600,000	905,000
Research and development (including salaries and material costs)	研究開發(包括薪金及物料成本)	2,700,000	1,726,000
		24,000,000	5,077,000

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

董事會及高級管理層

EXECUTIVE DIRECTORS

Mr. Lui Chi Wah, Johnny, aged 47, is a prominent and seasoned financial professional. He has been financial analyst for major brokerage firms, and stock commentator and columnist for public media. With more than fifteen years experience in Hong Kong's financial sector, Mr. Lui has gained strong rapport with entrepreneurs and has developed close ties with many enterprises, especially those in the medical and healthcare industry in Hong Kong and China. Mr. Lui was appointed as chairman, executive Director, chief executive officer and a member of remuneration committee of the Company on 2 August 2006. He was also appointed as compliance officer of the Company on 22 August 2006.

Mr. Wu Kai, aged 42, graduated from Department of Traditional Chinese Material Media of Gui Yang College of Traditional Chinese Medicine in Guizhou Province (貴州省貴陽市中醫學院藥學系) in 1985 and obtained his bachelor's degree in Medicine. Mr. Wu has over 15 years of sales and marketing experience in the pharmaceutical field. He has also worked in key management positions in pharmaceutical companies in Guizhou. Mr. Wu is a member of 中國中醫藥學會心病專業委員會 and 貴州省貴陽市南明區政治協商委員會. Mr. Wu was appointed as executive Director on 22 August 2006.

NON-EXECUTIVE DIRECTOR

Mr. Lau Kam Shan, aged 52, has been engaged in the business of retail clothing in the PRC and the export of fabric from the PRC to the United States. Mr. Lau has extensive experience in textile business and general trading and is currently a director of Yi Feng Enterprises Limited. Mr. Lau was appointed as non-executive Director on 8 August 2002.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwok Shun Tim, aged 32, graduated from Hong Kong University of Science and Technology (bachelor of business administration), and obtained his master degree from Hong Kong Polytechnic University (China business studies). Mr. Kwok is chief financial officer of Tianjin Tianlian Public Utilities Company Limited (stock code: 8290). He is also a non-executive director of China Leason Investment Group Co., Ltd (stock code: 8270). Mr. Kwok is member of The Association of Chartered Certified Accountants ("ACCA") and Hong Kong Institute of Certified Public Accountants ("HKICPA"). Mr. Kwok is experienced in the field of corporate finance, financial management and audit. Mr. Kwok was appointed as independent non-executive Director, chairman and a member of audit committee and a member of remuneration committee of the Company on 13 September 2006.

執行董事

呂志華先生，現年47歲，為著名的資深金融界專業人士。呂先生曾於多間主要證券公司任職金融分析工作，並於大眾傳媒機構任股評人及專欄作家。憑藉過往逾十五年在金融界的經驗，呂先生與商界關係良好，及與許多企業建立密切的聯繫，尤其是於香港及中國從事醫療及保健之公司。呂先生於2006年8月2日獲委任為本公司之主席、執行董事、行政總裁及薪酬委員會成員，同年8月22日獲委任為監察主任。

吳楷先生，現年42歲，在1985年畢業於貴州省貴陽市中醫學院藥學系及取得其醫學學士學位。吳先生擁有逾十五年在醫藥方面的銷售及推廣經驗。他曾在貴州製藥公司擔任主要管理職位。吳先生現為中國中醫藥學會心病專業委員會及貴州省貴陽市南明區政治協商委員會委員。吳先生於2006年8月22日獲委任為本公司之執行董事。

非執行董事

劉金山先生，現年52歲，於中國從事成衣零售業務及向美國出口中國布料，並具有廣泛的紡織業及一般貿易經驗。劉先生現為Yi Feng Enterprises Limited 的董事。劉先生於2002年8月8日獲委任為非執行董事。

獨立非執行董事

郭純恬先生，現年32歲，郭先生畢業於香港科技大學（工商管理學士），並取得香港理工大學碩士學位（中國商貿管理），現彼為天津天聯公用事業股份有限公司（股份代號：8290）之首席會計師及中國聯盛投資集團有限公司（股份代號：8270）之非執行董事。郭先生為英國特許會計師公會及香港會計師公會會員，並在企業融資、財務管理及審計方面擁有豐富經驗。郭先生於2006年9月13日獲委任為本公司獨立非執行董事、審核委員會成員及主席同時亦為本公司薪酬委員會成員。

BOARD OF DIRECTORS AND SENIOR MANAGEMENT 董事會及高級管理層

Mr. Chan Po Kwong, aged 51, is a merchant for the past twenty years. He has been engaging in real estates business in Hong Kong and overseas. He has worked in key executive positions in different trades, services including retail and wholesale of importing products for Hong Kong, Asian countries and Mainland China. Mr. Chan is a director of various companies with extensive experience in business restructuring, corporate financing and investments. Mr. Chan was appointed as an independent non-executive Director on 1 December 2004.

Mr. Lam Yan Wing, aged 56, graduated from the Chinese University of Hong Kong with a bachelor degree in business administration. Mr. Lam is also a full member of the Hong Kong Securities Institute. He is a seasoned banker and an all-round financial veteran with more than 30 years experience in banking and investment. He is currently running his own private company, Brilliance GC Limited, which provides corporate and financial advisory services. Prior to setting up his own company, Mr. Lam had held senior positions with Chase Manhattan Bank, The Industrial Bank of Japan and Elec & Eltek. Mr. Lam was appointed as independent non-executive Director and a member of audit committee and a member of remuneration committee of the Company on 30 January 2007.

SENIOR MANAGEMENT

Ms. Leung Wai Man is the financial controller, the company secretary and the qualified accountant of the Company who is responsible for the financial and accounting management and secretarial affairs of the Group. Prior to joining the Company, Ms. Leung worked for an international accounting firm for over nine years. Ms. Leung graduated from Macquarie University of Australia with a bachelor of degree in accounting and finance. She is a member of HKICPA and CPA Australia. Ms. Leung joined the Group in March 2007.

陳寶光先生，現年51歲，在過去二十年均為商人。陳先生在香港及外地從事房地產業務。在香港、亞洲國家及中國大陸，他工作範圍是為不同的貿易，服務包括入口貨品的零售及批發擔任主要行政職務。陳先生現為不同公司擔任董事，他擁有豐富的業務重組、公司融資及投資的經驗。在1993年，他曾是加拿大中國南方工業集團公司的前推廣人。陳先生於2004年12月1日獲委任為獨立非執行董事。

林欣榮先生，現年56歲，畢業於香港中文大學並取得工商管理學士銜，現為香港證券學會會員。林先生為資深銀行家，具豐富的財務及投資管理閱歷，擁有超過三十年的銀行及投資經驗。林先生現以大華捷思有限公司提供企業及財務顧問服務。在此之前，林先生歷任美國大通銀行、日本興業銀行及依利安達等公司要職。林先生由2007年1月30日起獲委任為本公司之獨立非執行董事、審核委員會委員及薪酬委員會委員。

高級管理層

梁慧敏女士為本公司財務總監、公司秘書兼合資格會計師，負責本集團的財務與賬目管理及秘書事務。加盟本公司之前，梁女士在一家國際會計師行工作逾9年。梁女士於澳洲Macquarie University畢業，持有會計學及財政學學士學位，並為香港會計師公會及澳洲會計師公會之會員。梁女士於2007年3月加盟本集團。

CORPORATE GOVERNANCE REPORT

企業管治報告

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company endeavors in maintaining high standard of corporate governance for the enhancement of shareholders' value. The Company has complied with the required code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 to the GEM Listing Rules for the year ended 30 June 2007, except for the following deviations:

Code Provision A.2.1

This code stipulates that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. Dr. Yeung Wah Hin, Alex had resigned on 2 August 2006, in replacement, Mr. Lui Chi Wah, Johnny ("Mr. Lui") was appointed as chairman and chief executive officer of the Company on 2 August 2006. The Board considers that Mr. Lui's extensive experience in financial sector and strong business network will definitely contribute to the development and future growth of the Group. The Board also considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the participation of experienced and high caliber members of the Board which meets regularly to discuss issues affecting operations of the Company. The Board believes that this structure is conducive to strong and consistent leadership, enabling the Group to make and implement decisions promptly and efficiently. The Board has full confidence in Mr. Lui and believes that his appointment to the posts of chairman and chief executive officer is beneficial to the business prospects of the Group. Nevertheless, the Board will continually review the function of the Board and its relationship with the management, especially the necessity and the benefits of separating the roles of the chairman and chief executive officer.

Code Provision A.4.4

This code stipulates that listed issuers should establish a nomination committee with specific written terms of reference. The nomination committee should, among others, (i) reviews the structure, size and composition of the board and make recommendations to the board regarding any proposed changes; (ii) identify individuals suitably qualified to become board members; (iii) assess the independence of independent non-executive directors; and (iv) make recommendations to the board on matters relating to the appointment or re-appointment of directors and succession planning for directors.

企業管治常規守則

本公司一向致力於維持高水準之企業管治以增加股東價值。在截至2007年6月30日止年度，本公司已遵守創業板上規規則附件15所載企業管治常規守則所規定的條例，以下之偏差除外：

守則條例A.2.1

此守則規定主席及行政總裁的責任應區分且不應由同一人擔任。楊華顯醫生在2006年8月2日辭任，呂志華先生於2006年8月2日接替楊醫生任本公司主席及行政總裁。董事會認為呂先生於財經界的廣闊經驗及其強大的商業網絡肯定會對本集團的發展和未來的增長作出貢獻。董事會亦認為此一結構不會減弱董事會及本公司管理層的權力平衡。董事會成員都是經驗豐富及能幹，並定期討論影響本公司運作的問題，以確保權力得予平衡。董事會相信此一安排對一個強而貫徹的領導層具積極意義，使本集團能迅速及有效地訂定及執行決策。董事會深信呂先生之主席及行政總裁任命對本集團未來業務的展望有所裨益。雖然如此，但本集團仍會繼續審閱董事會的職能及其與管理層的關係，特別是關於是否需要把主席及行政總裁的角色分開與其相關的利益等事宜。

守則條例A.4.4

本守則明定上市公司應設立提名委員會，並以書面界定其職權範圍。該提名委員會應（除其他事宜外）：(i)審閱董事會的結構、規模及組成並向董事會推薦任何變更的建議；(ii)確認合資格的人士加入董事會作為成員；(iii)評估獨立非執行董事的獨立性；(iv)向董事會推薦關於董事的任命及再任命與及各董事的承繼計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company has not established a nomination committee. Instead, the full Board is involved in the appointment of new Directors. The Board will take into consideration criteria such as expertise, experience, integrity and commitment when considering new Director appointment. The Board will conduct in-depth assessment on the independence of candidates for the post of independent non-executive Directors.

BOARD OF DIRECTORS

Board Composition

As at 30 June 2007, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors.

The Board is responsible for determining the overall strategy; reviewing and approving the work plan of the Group; and overseeing the corporate governance of the Group. While the management of the Company is responsible for proposing and implementing the work plan of the Group, executing the day-to-day operation of the Group and undertaking any further responsibility as delegated by the Board from time to time.

Board Meeting

The Company held five full board meeting in the financial year ended 30 June 2007. The Directors participated in person or through electronic means of communication. The following is an attendance record of the meetings by each Director:

本公司並未設立提名委員會，代之而以董事會全體參與董事的任命，同時亦會在任命新董事時顧及一些如專才、經驗、誠信及承擔的準則。董事會亦會進行深入的評估以確定獨立非執行董事候選人的獨立性。

董事會

董事會組成

於2007年6月30日，董事會的成員包括兩名執行董事、一名非執行董事及三名獨立非執行董事。

董事會的責任在釐定本集團的整體策略，審閱及批准其工作計劃並監察其企業管治常規守則。而本公司管理層的責任則在建議及執行本集團的工作計劃，處理其日常之營運，同時不時承擔董事會委派的任何其他職務。

董事會會議

於本年度內本公司已召開五次全體董事會會議，董事親身或透過其他電子通訊方式出席董事會會議。下表為每名董事的出席記錄：

Name of Director 董事姓名		Number of board meeting held during the Director's term of office 董事任期內召開 董事會會議的次數	Number of meeting attended 出席會議的次數
Executive Directors	執行董事		
Mr. Lui Chi Wah, Johnny	呂志華先生	5	5
Mr. Wu Kai	吳楷先生	5	1
Non-executive Director	非執行董事		
Mr. Lau Kam Shan	劉金山先生	5	5
Independent Non-executive Directors	獨立非執行董事		
Mr. Chan Po Kwong	陳寶光先生	5	5
Mr. Kwok Shun Tim	郭純恬先生	5	5
Mr. Lam Yan Wing	林欣榮先生	3	3

CORPORATE GOVERNANCE REPORT

企業管治報告

Reference is made to the Company's announcement on 22 August 2006 and 2 November 2006 that the Company no longer complies with Rules 5.05 and 5.28 of the GEM Listing Rules since the resignation of Mr. Chan Siu Wing, Raymond and Mr. Wong Kin Fung. Accordingly the Company will seek the appropriate candidate to fill the vacancies as soon as practicable and within three months after failing to meet the requirements. With reference to the Company's announcement dated 13 September 2006 and 30 January 2007, in replacement, Mr. Kwok Shun Tim and Mr. Lam Yan Wing were appointed as independent non-executive Directors on 13 September 2006 and 30 January 2007 respectively.

Term of appointment and re-election of Directors

There is no service contract between the executive Directors and the Company and they have no fixed term of services with the Company. The non-executive Director has entered into a service contract with the Company with effect from the Listing Date of the Company on GEM until the Company's annual general meeting in 2005. The service agreement is continued thereafter until termination notice is serviced by either parties. The independent non-executive Directors are appointed for a term of one to two years.

All Directors would retire from office by rotation and are subject to re-election at annual general meeting once every three years.

Directors' securities transactions

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year. The Company has also made specific enquiry to all Directors and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by Directors.

REMUNERATION COMMITTEE

The remuneration committee was established on 8 June 2006 with specific terms of reference. The committee is mainly responsible for making recommendation to the Board on policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. As at 30 June 2007, the committee comprises two independent non-executive Directors, namely Mr. Kwok Shun Tim, Mr. Chan Po Kwong and one executive Director, namely Mr. Lui Chi Wah, Johnny.

參閱本公司於2006年8月22日及11月2日之通告，由於陳兆榮先生及黃建豐的退任，本公司已不能符合創業板上市規則第5.05條及5.28條。因此，本公司將在切實可行情況下及其不符合有關規定後的三個月內，盡快尋找適當人選以填補空缺。參閱本公司於2006年9月13日及2007年1月30日所發出之通告，郭純恬先生及林欣榮先生已分別於2006年9月13日及2007年1月30日獲委任替代成為獨立非執行董事。

董事之任期及重選

執行董事與本公司並無訂立服務合約並與本公司無固定任期。非執行董事已與本公司訂定委任書，任期為本公司於創業板上市日起直至本公司於2005年召開的股東週年大會為止。此等委任將繼續有效直至任何一方通知對方終止委任時止。獨立非執行董事之任期為一至兩年。

所有董事均須輪值退任，每三年在股東週年大會上重選一次。

董事證券交易

本公司已就董事進行的證券交易於年內採納行為守則，其所依據之條款並不遜於創業板上市規則第5.48至5.67條。同時本公司已就董事進行的證券交易向各董事特別查詢，而本公司並不知悉，任何違反規定的交易守則及其行為守則。

薪酬委員會

本公司於2006年6月8日成立薪酬委員會並已界定其職權範圍。本委員會主要負責向董事會推薦建議各董事及高級管理層的薪酬政策及結構，並向董事會推薦建議設立正式及透明程序以發展該等薪酬的政策。於2007年6月30日，本委員會包括郭純恬先生及陳寶光先生兩位獨立非執行董事及一位執行董事呂志華先生。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, interim reports and quarterly reports and to provide advice and comments thereon to the Board. The audit committee will also be responsible for reviewing and supervising the Group's financial reporting and internal control procedures.

The audit committee comprises three independent non-executive directors, namely Mr. Kwok Shun Tim, Mr. Chan Po Kwong and Mr. Lam Yan Wing. Mr. Kwok Shun Tim is the chairman of the committee since his appointment on 13 September 2006. The committee has met four times during year.

The audit committee members have reviewed the Group's audited results for the year ended 30 June 2007.

AUDITORS' REMUNERATION

The auditors, RSM Nelson Wheeler, provide statutory audit services to the Group. For the year ended 30 June 2007, fee for statutory audit for the Group amounts to HK\$292,500.

審核委員會

本公司已成立審核委員會，並根據創業板上市規則之規定書面界定其職權範圍。本公司審核委員會之主要職責為審閱本公司之年報及財務報表、中期報告及季度報告，並就此向董事會提出意見及建議。審核委員會亦負責審閱及監督本集團之財務申報過程及內部監控程序。

審核委員會由三位獨立非執行董事組成，包括郭純恬先生、陳寶光先生及林欣榮先生。郭純恬先生自2006年9月13日受聘為獨立非執行董事起，一直擔任審核委員會主席。在本年度內審核委員會已開會四次。

審核委員會已經審閱本集團於2007年6月30日經審核業績。

核數師薪酬

本集團聘用羅申美會計師行為核數師提供法定審核服務。截至2007年6月30日止年度本集團支付292,500港元作為法定審核費用。

REPORT OF THE DIRECTORS

董事會報告

The Directors present their annual report and the audited financial statements for the year ended 30 June 2007.

董事會欣然提呈彼等的年度報告及截至2007年6月30日止年度的經審核財務報表。

PRINCIPAL ACTIVITIES AND SEGMENTAL ANALYSIS OF OPERATIONS

The Company acts as an investment holding Company. The activities of its principal subsidiaries are set out in note 31 to the financial statements.

主要業務及經營業務分部分析

本公司為投資控股公司。其主要附屬公司的業務載於財務報表附註31。

An analysis of the Group's operations for the year by business activities is set out in note 8 to the financial statements.

本集團於本年度按業務分類的經營業務分析載於財務報表附註8。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 30 June 2007 are set out in the consolidated income statement on page 30.

業績及調撥

本集團截至2007年6月30日止年度的業績載於第30頁的綜合收益表。

The Directors do not recommend the payment of a dividend and propose that the profit for the year be retained.

董事不建議派付股息及提議保留本年度之利潤。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 16 to the financial statements.

物業、廠房及設備

本集團物業、廠房及設備變動的詳情載於財務報表附註16。

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 23 to the financial statements.

股本

本公司股本變動的詳情載於財務報表附註23。

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

優先購股權

本公司的組織章程細則及開曼群島法例並無涉及優先購股權的條文規定本公司必須按比例向現有股東發售新股份。

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 76 of this annual report.

財務概要

本集團過去五個財政年度的業績及資產與負債概要載於本年報第76頁。

REPORT OF THE DIRECTORS

董事會報告

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares listed on GEM (2006: the Company repurchased 9,484,000 shares).

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 30 June 2007 comprised the share premium and accumulated losses which in aggregate amounts to HK\$21,576,180 (2006: HK\$20,404,614). Under the Companies Law (Revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the payment of distributions or dividends, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends shall be payable out of the profits or other reserves, including the share premium account, of the Company.

購買、出售或贖回股份

在本年度內，本公司或其任何附屬公司概無於創業板購買、出售或贖回本公司之任何上市股份（2006年：本公司購回9,484,000股）。

本公司可供分派儲備

於2007年6月30日本公司可供分派儲備包括股份溢價及累計損失共21,576,180港元（2006年：20,404,614港元）。遵照開曼群島公司法（經修訂），本公司的股份溢價可供分派或以股息分派予各股東，惟必須遵守公司章程內條款之規定，另緊接支付分派或股息後本公司在日常業務過程中有能力可即時歸還到期之債務。遵照本公司之章稅細則，股息應從本公司溢利或其他儲備（包括股份溢價賬項）中支付。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTIONS

1. Share option scheme (the "Share Option Scheme") was adopted by the then shareholders of the Company on 20 April 2004. Details of the Share Option Scheme are set out in note 24(a) to the financial statements.

Movements of share options granted to the Directors under the Share Option Scheme for the year ended 30 June 2007 are as follows:

購股權

1. 購股權計劃（「購股權計劃」）由本公司當時之股東於2004年4月20日採納。購股權計劃之詳情載於財務報表附註24(a)。

根據購股權計劃，截至2007年6月30日止年度購股權的變動詳情如下：

		Number of underlying shares in respect of which share options were granted					Exercise price
		已授出購股權涉及之相關股份數目					
Name of Director	Date of grant	Outstanding at 01/07/2006	Granted	Exercised/	Outstanding at 30/06/2007	Exercise price	
				Cancelled/ Lapsed			
董事姓名	授出日期	於2006年7月1日尚未行使	已授出	已行使/已銷註/已失效	於2007年6月30日尚未行使	行使價	
							HK\$ 港元
Dr. Yeung Wah Hin, Alex	楊華顯醫生	2,222,222 ^(a&c)	-	2,222,222	-	0.225	
		19/06/2006	1,000,000 ^(a&f)	-	1,000,000	0.105	
Mr. Cheng Yan Tak, Angus Ronald	鄭恩德先生	669,711 ^(a&c)	-	669,711	-	0.225	
		19/06/2006	500,000 ^(a&f)	-	500,000	0.105	
Mrs. Yeung Tsui Mai Ling, Margaret	楊徐美玲女士	1,111,111 ^(a&c)	-	1,111,111	-	0.225	
		19/06/2006	500,000 ^(a&f)	-	500,000	0.105	
Mr. Cho Kam Luk	曹金陸先生	1,111,111 ^(a&c)	-	1,111,111	-	0.225	
		19/06/2006	500,000 ^(a&f)	-	500,000	0.105	
Mr. Lau Kam Shan	劉金山先生	1,111,111 ^(a&c)	-	-	1,111,111	0.225	
		19/06/2006	500,000 ^(a&f)	-	500,000	0.105	
Dr. Ngan Man Wong, Matthew	顏文煌醫生	1,333,333 ^(b&c)	-	1,333,333	-	0.225	
		19/06/2006	455,342 ^(b&f)	-	455,342	0.105	
Dr. Loh Kai Tsu, Kevin	陸凱祖醫生	1,333,333 ^(b&c)	-	1,333,333	-	0.225	
	Mr. Chan Siu Wing, Raymond	陳兆榮先生	1,333,333 ^(b&c)	-	1,333,333	-	0.225
		19/06/2006	600,000 ^(b&f)	-	600,000	0.105	
Mr. Chan Po Kwong	陳寶光先生	948,493 ^(b&f)	-	-	948,493	0.105	
Total	合計	15,229,100	-	12,669,496	2,559,604		

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (a) The share options are exercisable at any time for a period of three years from the date of grant.
- (b) The share options are exercisable at any time for a period of ten years from the date of grant.
- (c) The closing price of the shares of the Company immediately before 20 June 2005 on which the options were granted was HK\$0.225.
- (d) The closing price of the shares of the Company immediately before 19 June 2006 on which the options were granted was HK\$0.105.

附註:

- (a) 購股權可於授出日期起計三年期間內任何時間行使。
- (b) 購股權可於授出日期起計十年期間內任何時間行使。
- (c) 緊接2005年6月20日(購股權授出日期)前本公司股份之收市價為0.225港元。
- (d) 緊接2006年6月19日(購股權授出日期)前本公司股份之收市價為0.105港元。

Movements of share options granted to eligible participants other than Directors under the Share Option Scheme for the year ended 30 June 2007 are as follows:

根據購股權計劃截至2007年6月30日止年度授予合資格參與者(董事除外)的購股權的變動詳情如下:

Number of underlying shares in respect of which share options were granted

已授出購股權涉及之相關股份數目

		Date of grant	Outstanding at 01/07/2006	Granted	Exercised/		Outstanding at 30/06/2007	Exercise price
					Cancelled/ Lapsed	Outstanding		
		授出日期	於2006年7月1日尚未行使	已授出	已行使/已銷註/已失效		於2007年6月30日尚未行使	行使價
								HK\$ 港元
Employees	員工	26/06/2006	4,700,000 ^(a&b)	-	4,100,000	600,000	0.116	
Other eligible participants	其他合資格參與人士	26/06/2006	3,600,000 ^(a&b)	-	3,600,000	-	0.116	

Notes:

- (a) The share options are exercisable at any time for a period of ten years from the date of grant.
- (b) The closing price of the shares of the Company immediately before 26 June 2006 on which the options were granted was HK\$0.115.

附註:

- (a) 購股權可於授出日期起計十年期間內任何時間行使。
- (b) 緊接2006年6月26日(購股權授出日期)前本公司股份之收市價為0.115港元。

2. Pursuant to an agreement entered into by the Company with the Chinese University on 8 August 2002 relating to the grant of a right of first refusal to the Company by the Chinese University in respect of certain technology and inventions, as amended and supplemented by agreements dated 31 October 2003 and 16 April 2004 (the "Right of First Refusal Agreement"), share options would be granted to the Chinese University over the period of the term of such agreements of four years commencing from 18 June 2004. Details of the agreements are set out in note 24(b) to the financial statements.

2. 根據本公司與中文大學於2002年8月8日訂立有關中文大學授予本公司優先購買若干技術及發明的權利的協議(經日期為2003年10月31日及2004年4月16日的協議修改及補充)(「優先購買權協議」),本公司可於該等協議之4年期限(由2004年6月18日開始)期間授出購股權予中文大學。有關協議之詳情載於財務報表附註24(b)。

REPORT OF THE DIRECTORS

董事會報告

Details of the movements in share options granted to Chinese University during the year ended 30 June 2007 are set out as follows:

於截至2007年6月30日止年度已授出予中文大學之購股權變動詳情如下：

Date of grant	Exercisable period	Exercise price per share	Number of underlying shares in respect of which share options were granted			
			Outstanding at 01/07/2006	Granted	Exercised/ Cancelled/ Lapsed	Outstanding at 30/06/2007
授出日期	行使期限	每股行使價	於2006年7月1日尚未行使	已授出	已行使/已註銷/已失效	於2007年6月30日尚未行使
		HK\$ 港元				
28/06/2005	28/12/2005 – 27/06/2010	0.223	4,484,305	–	–	4,484,305
26/06/2006	26/12/2006 – 25/06/2011	0.116	9,482,758	–	–	9,482,758
22/06/2007	22/12/2007 – 21/06/2012	0.295	–	4,067,796	–	4,067,796
Total	合計		13,967,063	4,067,796	–	18,034,859

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Director

Mr. Lui Chi Wah, Johnny (appointed on 2 August 2006)
 Mr. Wu Kai (appointed on 22 August 2006)
 Dr. Yeung Wah Hin, Alex (resigned on 2 August 2006)
 Mr. Cho Kam Luk (resigned on 2 August 2006)
 Mrs. Yeung Tsui Mai Ling, Margaret (resigned on 2 August 2006)
 Mr. Cheng Yan Tak, Angus Ronald (resigned on 22 August 2006)

Non-executive Director

Mr. Lau Kam Shan

Independent non-executive Directors

Mr. Chan Po Kwong
 Mr. Kwok Shun Tim (appointed on 13 September 2006)
 Mr. Lam Yan Wing (appointed on 30 January 2007)
 Mr. Chan Siu Wing, Raymond (resigned on 22 August 2006)
 Mr. Wong Kin Fung (retired on 2 November 2006)

In accordance with the provisions of the Company's Articles of Association, Mr. Wu Kai, Mr. Chan Po Kwong and Mr. Lam Yan Wing will retire and, being eligible, offer themselves for re-election.

董事

年內並直至此年報日止之董事名單：

執行董事

呂志華先生 (於2006年8月2日膺任)
 吳楷先生 (於2006年8月22日膺任)
 楊華顯醫生 (於2006年8月2日退任)
 曹金陸先生 (於2006年8月2日退任)
 楊徐美玲女士 (於2006年8月2日退任)
 鄭恩德先生 (於2006年8月22日退任)

非執行董事

劉金山先生

獨立非執行董事

陳寶光先生
 郭純恬先生 (於2006年9月13日膺任)
 林欣榮先生 (於2007年1月30日膺任)
 陳兆榮先生 (於2006年8月22日退任)
 黃建豐先生 (於2006年11月2日退任)

按照本公司的組織章程細則，吳楷先生、陳寶光先生及林欣榮先生將退任，並因其合資格提出重選。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

Mr. Lau Kam Shan, the non-executive Director has entered into a service contract with the Company with effect from the Listing Date of the Company on GEM until the Company's annual general meeting in 2005. These service agreements are continued thereafter until termination notice is serviced by either parties.

Mr. Chan Po Kwong has been appointed as an independent non-executive Director for a term of two years expiring on 30 November 2006. The appointment is subject to retirement by rotation and other related provisions as stipulated in the Articles of Association of the Company.

Mr. Kwok Shun Tim and Mr. Lam Yan Wing have been appointed as independent non-executive Directors for a term of one year expiring on 13 September 2007 and 29 January 2008 respectively. The service contract of Mr. Kwok Shun Tim was renewed for a term of one year expiring on 13 September 2008. Their appointments are subject to retirement by rotation and other related provisions as stipulated in the Articles of Association of the Company.

Other than as disclosed above, no Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive Directors are independent.

董事服務合約

非執行董事劉金山先生已與本公司訂定委任書，任期為本公司於創業板上市日起直至本公司於2005年召開的股東週年大會為止。此等委任將繼續有效直至任何一方通知對方終止委任時止。

陳寶光先生已獲委任為獨立非執行董事，任期為2年，將於2006年11月30日屆滿。有關委任須遵照本公司之細則及其他相關條文所訂明者輪值退任。

郭純恬先生及林欣榮先生已獲委任為獨立非執行董事為期1年，並分別於2007年9月13日及2008年1月29日屆滿。郭純恬先生之服務合約續期一年，將於2008年9月13日屆滿。該任命須輪值退任並須遵守本公司章程細則中明定的條款。

除上文所披露者外，擬於應屆股東週年大會上膺選連任的董事並無與本公司或附屬公司訂立不可由本公司於一年內終止而毋須作出賠償（法定賠償除外）的服務合約。

獨立非執行董事的任命

根據創業板上市規則為5.09條本公司已收到各獨立非執行董事獨立性之確認。本公司認為所有獨立非執行董事均為獨立。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2007, the interests of the Directors and the chief executives and their associates in the shares and underlying shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code"), were as follows:

The Company

Long positions in ordinary shares of HK\$0.01 each:

Name of Directors	Capacity	Number of issued ordinary shares held	Percentage of the Company's issued share
董事姓名	身份	所持已發行股份數目	佔本公司已發行股本百分比
Mr. Lui Chi Wah, Johnny 呂志華先生	Beneficial owner 實益擁有人	18,716,000	4.89%

Saved as disclosed above and share options granted to the Directors as disclosed under the paragraph headed "Share options" in this Report of the Directors, none of the Directors, the chief executive of the Company, nor their associates had any interests or short positions in the shares or underlying shares of the Company or any of its associated corporations as at 30 June 2007 as recorded in the register required to be kept by the Company under section 352 of the SFO.

董事及高級行政人員於股份及相關股份的權益

於2007年6月30日，根據證券及期貨條例（「證券及期貨條例」）第352條須登記於本公司的登記冊內或根據上市公司董事進行證券交易的標準守則（「標準守則」）須通知本公司及聯交所關於本公司各董事及高級行政人員及其聯繫人於本公司及其聯繫團體的股份及相關股份權益如下：

本公司

面值0.01港元的普通股股份好倉：

除上文所披露者及誠如本董事會報告內「購股權」一段所披露者外，於2007年6月30日，本公司各董事及高級行政人員或彼等的聯繫人士概無於本公司或其任何相聯法團的股份或相關股份中擁有根據證券及期貨條例第352條須登記於該條所述的登記冊內的任何權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS

At 30 June 2007, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests or short position in the shares or underlying shares of the Company.

Long positions in ordinary shares of HK\$0.01 each:

Name of shareholders	Notes	Directly beneficially owned	Through spouse	Through a controlled corporation	Total	Percentage of	
						the Company's issued share capital	
股東名稱	附註	直接 實益擁有	透過配偶	透過 受控制公司	合計	佔本公司 已發行股本 百分比	
Spring Biotech Limited	Spring Biotech Limited	1	32,895,524	-	-	32,895,524	8.60%
Town Health Bio-Medical Technology Limited	康健醫藥生物科技有限公司	1	-	-	32,895,524	32,895,524	8.60%
Town Health International Holdings Company Limited ("Town Health")	康健國際控股有限公司 (「康健」)	1&2	-	-	32,895,524	32,895,524	8.60%
Broad Idea International Limited	Broad Idea International Limited	2	-	-	32,895,524	32,895,524	8.60%
Dr. Cho Kwai Chee	曹貴子醫生	2	-	-	32,895,524	32,895,524	8.60%
Dr. Choi Chee Ming, Francis	蔡志明博士	2	-	-	32,895,524	32,895,524	8.60%

Notes:

- Spring Biotech Limited is beneficially wholly owned by Town Health Bio-Medical Technology Limited which in turn beneficially wholly owned by Town Health.
- Town Health is a company whose shares listed on GEM. As at the date of this report, Town Health is beneficially owned as to approximately 51.56% by Broad Idea International Limited and as to approximately 5.13% by Atlantis Investment Management Limited. Broad Idea International Limited is beneficially owned as to 50.10% by Dr. Cho Kwai Chee and as to 49.90% by Dr. Francis Choi Chee Ming J.P. Mr. Cho Kam Luk (the father of Dr. Cho Kwai Chee), an executive Director of the Company who resigned on 2 August 2006, directly beneficially owns 0.03% of Town Health.

Other than as disclose above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2007.

主要股東

於二零零七年六月三十日，按本公司根據證券及期貨條例第336條規定存置之主要股東登記冊顯示，以下股東已知會本公司其於本公司股份或相關股份之有關權益或短倉。

於每股面值0.01港元的普通股股份好倉：

Number of shares held, capacity and nature of interests

所持股份數目、身份及權益性質

Name of shareholders	Notes	Directly beneficially owned	Through spouse	Through a controlled corporation	Total	Percentage of	
						the Company's issued share capital	
股東名稱	附註	直接 實益擁有	透過配偶	透過 受控制公司	合計	佔本公司 已發行股本 百分比	
Spring Biotech Limited	Spring Biotech Limited	1	32,895,524	-	-	32,895,524	8.60%
Town Health Bio-Medical Technology Limited	康健醫藥生物科技有限公司	1	-	-	32,895,524	32,895,524	8.60%
Town Health International Holdings Company Limited ("Town Health")	康健國際控股有限公司 (「康健」)	1&2	-	-	32,895,524	32,895,524	8.60%
Broad Idea International Limited	Broad Idea International Limited	2	-	-	32,895,524	32,895,524	8.60%
Dr. Cho Kwai Chee	曹貴子醫生	2	-	-	32,895,524	32,895,524	8.60%
Dr. Choi Chee Ming, Francis	蔡志明博士	2	-	-	32,895,524	32,895,524	8.60%

附註：

- Spring Biotech Limited 由康健醫藥生物科技有限公司實益全資擁有，康健醫藥生物科技有限公司則由康健實益全資擁有。
- 康健為一家股份於創業板上市的公司。於本報告日期，康健由Broad Idea International Limited實益擁有約51.56%及由Atlantis Investment Management Limited實益擁有約5.13%，Broad Idea International Limited則由曹貴子醫生實益擁有50.10%及蔡志明博士實益擁有49.90%。本公司執行董事曹金陸先生（曹貴子醫生之父親，其於2006年8月2日退任）直接實益擁有康健的0.03%。

除上文所披露者外，於2007年6月30日，本公司並無獲悉任何人士在本公司已發行股本中擁有任何其他相關權益或短倉。

REPORT OF THE DIRECTORS 董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 35.10% of the total sales for the year and sales to the largest customer included therein accounted for 12.39% of the total sales of the year. Purchases from the Group's five largest suppliers accounted for 95.52% of the total purchases for the year and purchases to the largest supplier included therein accounted for 55.43% of the total purchases of the year. During the year, none of the directors of the Company or any of their associates or any shareholders (which to the knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the top five customers and suppliers of the Group.

COMPETING INTERESTS

None of the Directors or the management shareholders or controlling shareholders of the Company (as defined in the GEM Listing Rules) have any interest in a business which competes or may compete with the business of the Group during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Saved as disclosed under the heading "Directors' and chief executive's interests in shares and underlying shares" and the paragraph headed "Share options" in this Report of the Directors and "Share options" in note 24 to the financial statements, at no time during the year was the Company or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

No contract of significance to which the Company or its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, interim reports and quarterly reports and to provide advice and comments thereon to the Board. The audit committee will also be responsible for reviewing and supervising the Group's financial reporting and internal control procedures.

主要客戶及供應商

於回顧年度，向本集團五大客戶的銷售佔年內總銷售35.10%，而向其中最大客戶的銷售則佔年內總銷售12.39%。向本集團五大供應商所作採購佔年內總採購額95.52%，而向其中最大供應商所作採購則佔年內總採購額55.43%。年內，本公司董事、其任何聯繫人或據董事所知擁有本公司已發行股本5%以上的股東概無於本集團五大客戶及供應商中擁有任何實際權益。

競爭權益

於本年度，本公司董事及管理層股東及控股股東（定義見創業板上市規則）概無於與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

董事購買股份及債券的權利

除本董事會報告內「董事及高級行政人員於股份及相關股份的權益」一節、本董事會報告「購股權」一段及財務報表附註24的「購股權」一段所披露者外，於年內任何時間，並無授予任何董事或彼等各自的配偶或未成年子女可透過購買本公司股份或債券而獲得的利益，而彼等亦無行使任何該等權利；同時，本公司或其任何附屬公司概無訂立任何安排，致使董事可於任何其他法團獲得該等權利。

董事於重大合約的權益

本公司及其附屬公司概無訂立董事直接或間接擁有重大權益而於年終或年內任何時間有效的其他重大合約。

審核委員會

本公司經已成立審核委員會，並根據創業板上市規則的規定書面界定其職權範圍。審核委員會的主要職責為審閱本公司的年報及財務報表、中期報告及季度報告，並就此向董事會提出意見及建議。審核委員會亦負責審核及監督本集團的財務申報過程及內部監控程序。

REPORT OF THE DIRECTORS

董事會報告

The audit committee comprises three independent non-executive directors, namely Mr. Kwok Shun Tim, Mr. Chan Po Kwong and Mr. Lam Yan Wing. Mr. Kwok Shun Tim is the chairman of the committee since his appointment on 13 September 2006. The committee has met four times during the year.

The audit committee has reviewed the Group's audited results for the year ended 30 June 2007.

CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on page 14 to page 17 of this annual report.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remmeration Committee on the basis of the merit, qualifications and competence.

The emoluments of the Directors are decided by the Remmeration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors, employees and other eligible participants, details of the scheme is set out in note 24(a) to the financial statements.

POST BALANCE SHEET EVENTS

Details of significant events occurring after the balance sheet date are set out in note 29 to the financial statements.

AUDITORS

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. RSM Nelson Wheeler as auditors of the Company.

For and on behalf of the Board

Lui Chi Wah, Johnny
Chairman

Hong Kong, 13 September 2007

審核委員會由郭純恬先生、陳寶光先生及林欣榮先生三位獨立非執行董事所組成。自從於2006年9月13日獲委任後，郭純恬先生擔任審核委員會主席。在本年度內，審核委員會舉行過四次會議。

審核委員會已審閱本集團截至2007年6月30日止年度的經審核財務報表。

企業管治

本公司就已採納之主要企業管治常規於本年報第14至第17頁提呈報告。

薪酬政策

本集團之僱員薪酬政策乃由薪酬委員按彼等之優點、資歷及能力而定。

本公司董事之薪酬乃由薪酬委員會經考慮本公司經營業績、個別表現以及市場可供比較之數據而定。

本公司已採納購股權計劃，以向董事、僱員及其他合資格參與人士提供獎勵，計劃詳情載於財務報表附註24(a)。

結算日後事項

結算日後發生之重大事項詳情載於財務報表附註29。

核數師

於應屆股東週年大會上將提呈決議案，續聘羅申美會計師行為本公司核數師。

代表董事會

呂志華
主席

香港，2007年9月13日

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

RSM Nelson Wheeler

羅申美會計師行
Certified Public Accountants

**TO THE SHAREHOLDERS OF
CORE HEALTHCARE INVESTMENT HOLDINGS LIMITED
(FORMERLY KNOWN AS PLASMAGENE BIOSCIENCE LIMITED)**
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Core Healthcare Investment Holdings Limited (the "Company") set out on pages 30 to 75, which comprise the consolidated balance sheet as at 30 June 2007, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

致確思醫藥投資控股有限公司
(前名稱為普施基因生物科技有限公司)
各股東
(於開曼群島註冊成立的有限公司)

本核數師已審核確思醫藥投資控股有限公司(「貴公司」)刊於第30頁至第75頁的財務報表,當中載有於2007年6月30日之綜合資產負債表、及截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔之責任

貴公司董事有責任遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定,編製並真實兼公平地呈報本財務報表。該責任包括設計、實行及維持與編製並真實兼公平地呈報財務報表相關之內部監控,以確保該等報表並無重大錯誤陳述(不論因欺詐或錯誤所致),選擇並應用適當之會計政策,以及按情況作出合理會計估算。

核數師之責任

本行之責任乃根據本行之審核結果就本財務報表發表意見,並僅向全體股東報告,除此之外本報告不可作其他用途。本行概不就本報告之內容向任何其他人士負上或承擔任何責任。本行乃根據香港會計師公會頒佈之香港審核準則進行審核。按該等準則規定,本行須遵守道德操守規定並計劃及進行審核,以期合理確定本財務報表是否不存在任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 30 June 2007 and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

RSM Nelson Wheeler

Certified Public Accountants
Hong Kong

13 September 2007

審核包括進行程序以取得與財務報表所載金額及披露事項有關之審核憑證。所選用之程序取決於核數師之判斷，包括評估有關財務報表是否存在重大錯誤陳述（不論因欺詐或錯誤所致）之風險。在作出該等風險評估時，核數師會考慮與公司編製並真實兼公平地呈報財務報表相關之內部監控，但目的僅在於按具體情況設計適當之審核程序，而並非要對公司之內部監控有效與否表達意見。此外，審核亦包括評核董事所採用之會計政策是否恰當以及其所作之會計估算是否合理，以及評核財務報表之整體呈報方式。

本行相信，本行已取得充分而恰當之審核憑證，足以為本行之審核意見提供基礎。

意見

本行認為，本財務報表已按香港財務報告準則真實兼公平地反映 貴集團於2007年6月30日之財政狀況以及 貴集團截至該日止年度之業績及現金流量狀況，並已按照香港公司條例之披露規定妥為編製。

羅申美會計師行

執業會計師
香港

2007年9月13日

CONSOLIDATED INCOME STATEMENT

綜合收益表

For the year ended 30 June 2007 截至2007年6月30日止年度

		Note	2007	2006
		附註	HK\$	HK\$
			港元	港元
Turnover	營業額	6	1,297,939	1,368,404
Cost of sales	銷售成本		(1,087,647)	(1,308,230)
Gross profit	毛利		210,292	60,174
Other income	其他收入	7	16,417,159	1,182,374
			16,627,451	1,242,548
Selling and distribution expenses	銷售及分銷費用		(137,676)	(510,437)
Administration expenses	行政費用		(5,264,743)	(4,737,887)
Other operating expenses	其他營運費用		(1,437,646)	(5,564,684)
Profit/(Loss) before tax	除稅前溢利／(虧損)		9,787,386	(9,570,460)
Income tax expense	利得稅開支	9	(1,391,000)	–
Profit/(Loss) for the year attributable to equity holders of the Company	本公司股東應佔本年度溢利／(虧損)	10	8,396,386	(9,570,460)
Earnings/(Loss) per share	每股盈利／(虧損)			
– basic	– 基本	14	2.23 cents	(2.55 cents)
– diluted	– 攤薄		2.22 cents	N/A

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 30 June 2007 於2007年6月30日

		Note	2007 HK\$ 港元	2006 HK\$ 港元
		附註		
Non-current assets	非流動資產			
Intangible assets	無形資產	15	–	–
Property, plant and equipment	物業、廠房及設備	16	3,256,023	2,421,980
			3,256,023	2,421,980
Current assets	流動資產			
Inventories	存貨	17	100,527	44,846
Trade and other receivables	貿易及其他應收款項	18	18,051,965	612,568
Financial assets at fair value through profit or loss	經損益賬按公平值入賬之金融資產	19	15,262,864	7,398,530
Cash and bank balances	現金及銀行結餘	20	4,122,164	18,038,807
			37,537,520	26,094,751
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	21	1,347,165	652,935
Current tax liabilities	應付本期稅項		1,391,000	–
			2,738,165	652,935
Net current assets	流動資產淨值		34,799,355	25,441,816
Net assets	資產淨值		38,055,378	27,863,796
Capital and reserves	資本及儲備			
Share capital	股本	23	3,825,920	3,735,920
Reserves	儲備		34,229,458	24,127,876
Total equity	權益總額		38,055,378	27,863,796

Approved by the Board of Directors on 13 September 2007

董事會於2007年9月13日核准

Lui Chi Wah, Johnny

呂志華

Director

董事

Wu Kai

吳楷

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動報表

For the year ended 30 June 2007 截至2007年6月30日止年度

		Share capital	Reserves				Sub-total of reserves	Total
			Share premium	Share options reserve	Accumulated losses	儲備		
		股本	股份溢價	購股權儲備	累計虧損	儲備小計	總值	
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	
		港元	港元	港元	港元	港元	港元	
Balance at 1 July 2005	於2005年7月1日結餘	3,830,760	46,628,204	-	(13,465,628)	33,162,576	36,993,336	
Shares repurchase	股份購回	(94,840)	(1,383,566)	-	-	(1,383,566)	(1,478,406)	
Recognition of share-based payments	確認以股份為基礎之付款	-	-	1,919,326	-	1,919,326	1,919,326	
Loss for the year	本年度虧損	-	-	-	(9,570,460)	(9,570,460)	(9,570,460)	
Balance at 30 June 2006 and 1 July 2006	於2006年6月30日及2006年7月1日結餘	3,735,920	45,244,638	1,919,326	(23,036,088)	24,127,876	27,863,796	
Issue of shares upon exercise of share options	行使購股權所發行之股份	90,000	919,900	-	-	919,900	1,009,900	
Transfer of reserve upon exercise of share options	行使購股權之儲備轉撥	-	788,450	(788,450)	-	-	-	
Transfer of reserve upon lapse of share options	失效購股權之儲備轉撥	-	-	(215,786)	215,786	-	-	
Recognition of share-based payments	確認以股份為基礎之付款	-	-	785,296	-	785,296	785,296	
Profit for the year	本年度溢利	-	-	-	8,396,386	8,396,386	8,396,386	
Balance at 30 June 2007	於2007年6月30日結餘	3,825,920	46,952,988	1,700,386	(14,423,916)	34,229,458	38,055,378	

Nature and purpose of reserves

儲備的性質及目的

(i) *Share premium*

Under the Companies Law (Revised) of the Cayman Islands, the funds in the share premium account are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they all due in the ordinary course of business.

(i) *股份溢價*

根據開曼群島公司法(經修訂)·股份溢價內的資金可供分派予各股東·惟於緊接建議分派股息當天後本公司有能力在日常業務過程中歸還到期之債務。

(ii) *Share options reserve*

The Group has a share option scheme under which options to subscribe for the Company's shares have been granted to certain directors, employees, other eligible participants and Chinese University as set out in note 24.

(ii) *購股權儲備*

如於附錄24所呈列本集團具有一購股權計劃·遵照該計劃認購本公司股份的購股權已授予若干董事·僱員·其他合資格參與人士及中文大學。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 30 June 2007 截至2007年6月30日止年度

		2007 HK\$ 港元	2006 HK\$ 港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動現金流量		
Profit/(Loss) before tax	除稅前溢利／(虧損)	9,787,386	(9,570,460)
Adjustments for:	調整:		
Interest income	利息收入	(677,887)	(1,061,081)
Dividend income from listed investments	來自上市投資項目之股息收入	(85,383)	-
Depreciation	折舊	317,689	679,082
Loss/(Gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損／(收益)	270,717	(108,000)
Amortisation of intangible assets	無形資產攤銷	-	459,757
Impairment losses of intangible assets	無形資產減值損失	-	3,158,397
Share-based payments expenses	以股份為基礎之付款費用	785,296	1,919,326
Fair value (gain)/loss of financial assets at fair value through profit or loss	經損益賬按公平值入賬之金融資產之公平值(收益)／虧損	(4,236,610)	332,459
Gain on disposal of financial assets at fair value through profit or loss	出售經損益賬按公平值入賬之金融資產收益	(11,362,631)	-
Write-off of inventories	存貨撇賬	77,328	-
Write-off of property, plant and equipment	物業、廠房及設備撇賬	-	133,127
Operating loss before working capital changes	營運資金變動前經營虧損	(5,124,095)	(4,057,393)
Increase in inventories	存貨增加	(133,009)	(11,332)
(Increase)/Decrease in trade and other receivables	貿易及其他應收款項(增加)／減少	(17,439,397)	189,328
Increase in trade and other payables	貿易及其他應付款項增加	694,230	106,333
Net cash used in operating activities	經營活動所用現金淨額	(22,002,271)	(3,773,064)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Purchases of property, plant and equipment	購置物業、廠房及設備	(1,422,449)	(2,628,080)
Payments for licences and patents	支付特許及專利權	-	(113,443)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	-	108,000
Purchases of financial assets at fair value through profit or loss	購入經損益賬按公平值入賬之金融資產款項	(51,650,514)	-
Proceeds from disposals of financial assets at fair value through profit or loss	出售經損益賬按公平值入賬之金融資產所得款項	59,385,421	-
Dividend received from listed investments	已收來自投資上市證券之股息	85,383	-
Interest received	已收利息	677,887	1,061,081
Net cash from/(used) in investing activities	投資活動所產生／(用)現金淨額	7,075,728	(1,572,442)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Proceeds from issue of shares upon exercise of share options	行使購股權所發行之股份所得款項	1,009,900	-
Shares repurchase	股份購回	-	(1,478,406)
Net cash from/(used in) financing activities	融資活動所產生／(用)現金淨額	1,009,900	(1,478,406)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值結餘減少淨額	(13,916,643)	(6,823,912)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初的現金及現金等值結餘	18,038,807	24,862,719
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終的現金及現金等值結餘	4,122,164	18,038,807
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值結餘分析		
Cash and bank balances	現金及銀行結餘	4,122,164	18,038,807

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 30 June 2007 截至2007年6月30日止年度

1. GENERAL

The Company is incorporated as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" of this annual report.

The Company is an investment holding company. The activities of its principal subsidiaries are set out in note 31 to the financial statements.

2. ADOPTION OF NEW AND REVISED HKFRSS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are relevant to its operations and effective for accounting periods beginning on or after 1 January 2006, 1 May 2006 and 1 June 2006. The adoption of these new and revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but not yet effective. The application of these new HKFRSs will not have material impact on the financial statements of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments which are carried at their fair values.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires management to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 4 to the financial statements.

1. 概略

本公司乃根據開曼群島公司法於開曼群島註冊成立為受豁免股份有限公司。本公司股份於香港聯合交易所有限公司（「聯交所」）創業板上市。本公司之註冊地址及主要營運地址已於本年報「企業資料」內披露。

本公司為一家投資控股公司，其主要附屬公司之業務載於財務報表附錄31。

2. 新增及經修訂香港財務報告準則之採納

於本年度，本集團已採納所有與集團營運有關由香港會計師公會頒佈及於2006年1月1日、5月1日及6月1日或以後之會計期間生效的新增及經修訂香港財務報告準則（「香港財務報告準則」）及香港會計準則及詮釋（「香港會計準則」）（以下統稱「新訂香港財務報告準則」）。新增及經修訂香港財務報告準則對本集團本年度及去年度的會計政策及賬目金額並未做成重大的改變。

本集團並沒有採納已頒佈但仍未生效之新訂香港財務報告準則。採納這些新訂香港財務報告準則對本集團之財務報表並未做成重大影響。

3. 主要會計政策

本財務報表乃根據香港財務報告準則編製，並同時符合香港普遍採納之會計原則、香港公司條例的適用披露規定以及聯交所創業板證券上市規則的適用披露規定。

本財務報表是以歷史成本作為編製基準，並已就投資（以公平值記賬）進行重估和作出修訂。

編製符合香港財務報告準則的財務報表，必須使用若干重要假設和估計，要求管理層於會計政策應用過程中作出判斷。凡牽涉關鍵性判決、假設及估計並對本財務報表有重大影響的範疇，已於財務報表附註4披露。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

The significant accounting policies applied in the preparation of these financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 June. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill relating to the subsidiary which was not previously charged or recognised in the consolidated income statement and also any related accumulated foreign currency translation reserve.

Inter-company transactions, balances and unrealised profits on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Foreign currency translation*(i) Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

3. 主要會計政策 (續)

於編製本財務報表時所應用的主要會計政策詳列如下：

(a) 綜合基準

本財務報表包括本公司及其附屬公司截至6月30日為止的財務報表。附屬公司乃本集團具有控制權的機構。控制權是指管治某機構的財務及經營政策的權力，從而於其業務取得利益。在評估本集團是否擁有控制權時，將會考慮潛在投票權（可隨時行使及轉換）是否存在和其影響力而釐定。

在附屬公司的控制權轉讓給本集團後，該附屬公司便於當天起完全綜合計算於本集團內。當失去控制權後，從當天起附屬公司便不再綜合計算在本集團內。

出售附屬公司的收益及虧損是指出售所得款項和本集團應佔該附屬公司的淨資產價值與及和附屬公司有關的任何商譽（此等儲備並未在綜合收益表中支出或確認）及有關的累計外幣兌換儲備兩者之間的差額。

本集團內公司間之交易，結餘及未實現的交易收益均予對銷。除非該項交易有證據證明已轉讓資產出現減值，否則未實現虧損應予以對銷。附屬公司的會計政策已因應需要作出更改以確保與本集團所採納的政策一致。

(b) 外幣交易*(i) 功能及呈列貨幣*

本集團內各實體的財務報表內的項目均以該實體經營之主要經濟環境之通行貨幣（「功能貨幣」）計量。本綜合財務報表以港元呈列，而該貨幣為本公司的功能及呈列貨幣。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Foreign currency translation (continued)

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the rates ruling on the balance sheet date. Profits and losses resulting from this translation policy are included in the income statement.

Translation differences on non-monetary items, such as equity instruments classified as financial assets at fair value through profit or loss, are reported as part of the fair value gain or loss.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the period in which they are incurred.

3. 主要會計政策 (續)

(b) 外幣交易 (續)

(ii) 於每實體之財務報表中之交易及結餘

外幣交易均按交易當日之匯率換算為功能貨幣入賬。以外幣為單位的貨幣性資產和負債以結算日的匯率認列。基於此換算政策所做成的損益賬項算入收益表中。

非貨幣項目（例如歸類為經損益賬按公平值入賬之金融資產的權益工具）的換算差額呈報為公平值盈虧的一部份。

(c) 物業、廠房及設備

物業、廠房及設備均以成本減去累計折舊再減去減值虧損入賬。

僅在與該項目相關之未來經濟效益有可能歸於本集團及能可靠地計算出該項目成本之情況下，其後之成本才會包括於資產賬面值或確認為獨立之資產（如適用）。所有其他維修及保養支出於其產生之期間內計入收益表。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(c) Property, plant and equipment (continued)**

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Laboratory equipment	5 years
Leasehold improvements	5 years
Office equipment, furniture and fixtures	2 ¹ / ₂ – 5 years
Motor vehicles	5 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each balance sheet date.

Construction in progress represents buildings under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the income statement.

(d) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the lease term.

3. 主要會計政策 (續)**(c) 物業、廠房及設備 (續)**

物業、廠房及設備的折舊會以合適的折舊率來計算。使用的折舊率必須足以將其成本減去殘餘值後於估計可用期間內以直線折舊法全部註銷。主要的可使用年期間如下：

實驗室設備	5年
裝修	5年
辦公室設備、傢具及 固定裝置	2 ¹ / ₂ – 5年
汽車	3 – 5年

在適當時，相關的資產殘餘值及可用期會於每一結算日重新審閱及調整。

在建工程是指在建造中的建築和有待安裝的廠房及機械，並以成本價減去減值損失入賬。在建工程相關資產使用時開始折舊。

出售物業、廠房及設備之損益是指其出售金額和賬面值的差異，並於收益表中確認。

(d) 經營租賃

凡由出租人擁有並保留重大比例之風險及回報之租賃項目均列作經營租賃。經營租賃所支出的款項（扣除出租金所取得之回報後），經在收益表中以直線攤銷法在租賃期內攤銷。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(e) Intangible assets***(i) Research and development expenditure*

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset is recognised only if all of the following conditions are met:

- An asset is created that can be identified;
- It is probable that the asset created will generate future economic benefit; and
- The development cost of the asset can be measured reliably.

Internally generated intangible assets are measured initially at cost and are amortised on a straight-line basis over their estimated useful lives which generally do not exceed twenty years. Where no internally generated intangible asset can be recognised, development expenditure is charged to the income statement in the period in which it is incurred.

(ii) Patents and licences

Patents and licences are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives of the relevant testing services of 7 to 15 years.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

In previous years, cost of inventories was determined using first-in, first-out basis. With the new operation of the Group's retail business on 1 December 2006, cost of inventories is to be determined using weighted average method. Such change in accounting policy had no material effect on how the results for the current or prior accounting periods have been prepared and presented.

3. 主要會計政策 (續)**(e) 無形資產***(i) 研究與開發支出*

研究業務的支出於產生期間確認為費用項目。由內部資源產生的無形資產只有在達到下列條件才予以確認：

- 該項創造之資產可供識別；
- 該項創造之資產將來可能會產生經濟收益；
- 該項資產的發展成本能可靠地計量

由內部資源產生的無形資產於初始時以成本計量並以直線法根據相關測試服務的估計可用期間（通常不會超逾20年）進行攤銷。如無由內部資源產生的無形資產可供確認，開發支出則於其產生期間內於收益表中扣除。

(ii) 專利權及特許權

專利權及特許權於初始時以購入價計量並以直線法根據相關測試服務的可用期分7至15年攤銷。

(f) 存貨

存貨按成本與可變現淨值兩者之較低者列賬。成本以加權平均成本法方式確定。可變現淨值指日常業務過程中的估計銷售價減去所有估計完成成本及在銷售過程中所支付費用後之價值。

過去幾年，存貨成本以先進先出法釐定。自本集團之零售業務於2006年12月1日開始營運後，存貨成本改以加權平均成本法釐定。此會計政策的變動對現在及過去會計期內之已編製及呈列的業績無重大影響。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(g) Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are either investments held for trading or designated as at fair value through profit or loss upon initial recognition. These investments are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in the income statement.

(h) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in the income statement.

Impairment losses are reversed in subsequent periods and recognised in the income statement when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(i) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

3. 主要會計政策 (續)**(g) 經損益賬按公平值入賬之金融資產**

經損益賬按公平值入賬之金融資產包括：用作買賣之投資或於初始以公平值入賬於損益賬之投資，其後此等投資將以公平值入賬。而由於公平值改變而產生的損益則於收益表中入賬。

(h) 貿易及其他應收款項

貿易及其他應收款項乃初步按公平值確認，其後按攤銷成本以實際利息法扣除減值撥備計量。貿易及其他應收款之減值撥備乃在客觀憑證顯示本集團將不能根據應收賬項之原定期限收到到期款項時作出。撥備款項指資產之賬面值與按實際利率貼現之估計未來現金流量現值之差額，撥備之款項在收益表中確認。

當確認減值後而客觀事實使可收回的應收賬金額增加則減值損失可於其後期間撥回，但於撤銷減值當日應收賬的賬面值不能超逾未減值前的攤銷後成本。

(i) 現金及現金等值

為編製綜合現金流量表，現金及現金等值項目指銀行結餘及現金，存放於銀行及其他財務機構之流動存款及隨時可轉換為既定現金金額且價值變動風險並不重大之短期高流通性投資。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) Trade and other payables**

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(k) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(l) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Revenue from the sales of diagnostic testing services is recognised when the services are rendered.

Revenue from the sales of diagnostic testing products is recognised on the transfer of risks and rewards of ownership which generally coincide with the time when goods are delivered and title has passed.

Sales of health food and pharmaceutical products are recognised when goods are delivered and title has passed.

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Interest income is recognised as it accrues using the effective interest method

3. 主要會計政策 (續)**(j) 貿易及其他應付款項**

貿易及其他應付款項於初始時，均以其公平值入賬。其後則以實際利率法按攤銷成本計量，除非折現後之效果並不明顯。在此情況下則以成本入賬。

(k) 股本工具

由本公司發行的股本工具以所得款項減去直接發行成本入賬。

(l) 收入確認

收入按所收取或應收取代價之公平值計量，並於經濟收益可能流入本集團且收益金額能可靠計量時確認。

銷售診斷測試服務的收入，於提供服務後確認。

銷售診斷測試產品的收入，於轉讓擁有權之重大風險及收益時予以確認，一般與貨物交付顧客及所有權轉移之時間相同。

保健產品及藥品銷售於交付貨品及擁有權轉移時確認入賬。

來自投資項目之股息收入乃於本集團收取股息之權利確立時確認入賬。

利息收入是以實際利率方法計算確認。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Employee benefits***(i) Employee leave entitlements*

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to the income statement represents contributions payable by the Group to the funds.

(n) Share-based payments

The Group issues equity-settled share-based payments to certain grantees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

3. 主要會計政策 (續)**(m) 僱員福利***(i) 僱員應享假期*

僱員享有之年假及長期服務假期於僱員應計年假時確認。截止結算日止僱員提供服務所產生之年假及長期服務假之估計負債作出撥備。

僱員享有的病假及分娩假於放假時開始確認。

(ii) 退休計劃之責任

本集團向僱員享有的定額供款退休計劃作出供款。本集團及僱員各自作出的供款以僱員的基本薪金之特定比率計算。而在收益表中入賬的退休計劃成本為本集團所支付的供款。

(n) 以股份為基礎之付款

本集團一般向若干承讓人發行以股本清償的以股份為基礎之付款，並以授出當日的股本工具的公平值作計量（不包括非市場為本的歸屬條件）。於以股本清償的以股份為基礎之付款的授出日釐定其公平值，並以直線法於歸屬期內根據本集團估計最終將會歸屬之股份數目並為非市場為本的歸屬條件予以調整後攤銷。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(o) Taxation**

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. 主要會計政策 (續)**(o) 稅項**

所得稅項包括本期應付稅項及遞延稅項。

本期應付稅項乃根據本年度的應課稅溢利計算。應課稅溢利有別於在收益表中所呈列之溢利，因它並不包含在其他年度應課稅或扣稅的收入或支出，同時亦不包含那些永不需課稅或扣除之項目。本集團之當期稅項負債是以結算日已生效或實際生效的稅率計算。

遞延稅項為就財務報表內資產及負債賬面值及計算應課稅溢利相應稅基之差額，並以資產負債表負債法列賬。遞延稅項負債一般會就所有應課稅臨時差額確認，而遞延稅項資產乃於可能出現應課稅溢利對銷可扣稅臨時差額、未使用稅項虧損或未使用課稅扣除時確認。若於一項交易中，因商譽（或負商譽）或因業務合併以外原因初步確認其他資產負債而引致之臨時差額不影響應課稅溢利或會計溢利，則不會確認該等資產及負債。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項乃扣自或計入綜合收益表，惟遞延稅項直接扣自或計入權益之情況除外，在此情況下，遞延稅項亦會於權益中處理。

遞延稅項資產及負債於可依法以即期稅項資產與即期稅項負債抵銷時，及於該等遞延稅項資產及負債乃同一稅務機關所徵收之所得稅且本集團擬以淨額結清其即期稅項資產及負債時予以抵銷。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(p) Related parties**

A party is related to the Group if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

(q) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products and services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical as the secondary reporting format.

Segment revenue, expenses, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to the segment. Unallocated costs mainly represent corporate expenses. Segment assets consist primarily of property, plant and equipment, intangible assets, inventories and trade receivables. Segment liabilities comprise operating liabilities and exclude items such as tax liabilities.

3. 主要會計政策 (續)**(p) 關連人士**

一方被視為本集團之關連人士倘若:

- (i) 該一方直接或間接透過一間或多間中介公司: (一) 控制本集團、被本集團控制、或與本集團受同一方控制; (二) 持有本集團權益並能對本集團施以重大影響; 或 (三) 共同控制本集團;
- (ii) 該一方為聯營公司;
- (iii) 該一方為合資公司;
- (iv) 該一方為本集團或其控股公司之主要管理層成員;
- (v) 該一方為上述(i)或(iv)中個人成員之近親;
- (vi) 該一方為(iv)或(v)項所述之任何人士直接或間接控制、共同控制或可施行重大影響力之實體或享有重大投票權之實體; 或
- (vii) 該一方為終止僱用後福利計劃, 以本集團或本集團之關連人士之任何實體之僱員福利而設。

(q) 分部報告

分部指本集團內從事於供應產品或提供服務(業務分部), 或者在一特定的經濟環境內供應產品或提供服務(地區分部)的可分辨部份, 而各分部所承受的風險及獲得的回報並不相同。

根據本集團內部財務報告, 本集團決定主要的分部報告呈列形式為業務分部, 而地區分部則為次要的分部報告呈列形式。

分部收益、支出、資產及負債包括能直接歸類於某一分部及能夠按合理基準分配到各分部的項目。未分配成本主要為企業費用。分部資產主要包括物業、廠房及設備、無形資產、存貨及貿易及其他應收款項。分部負債包括經營負債但不包括如稅項負債等項目。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(q) Segment reporting (continued)**

Segment revenue, expenses, assets and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between Group enterprises within a single segment.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

(r) Impairment of assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets, except investments, inventories and receivables, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

3. 主要會計政策 (續)**(q) 分部報告 (續)**

於釐定分部收入、支出、資產及負債時，集團間之結餘及集團間之交易並未以合併方法相互抵銷。惟當涉及集團間結餘及交易發生於同一分部時，則以作合併對沖處理。

分部資本開支乃於年度內收購分部資產（包括有形及無形資產）所產生的成本總和，並預期該等資產將會使用超過一個會計期間。

(r) 資產減值

本集團的各每結算日審閱其有形資產及無形資產的賬面值（除投資項目、存貨及應收款項外）以釐定是否出現減值虧損情況。如果出現減值情況，則須重新對資產的可回收數額作出估計以確定減值虧損的程度。當不可能估計個別資產的可回收額時，本集團則對該資產所屬之現金產生單位評估其可回收金額。

資產的可回收數額為其公平值減銷售成本與使用價值兩者中的較高額。在評估使用價值時，預期未來現金流量會按可以反映當時市場對貨幣時間值及資產特定風險的評估的稅前貼現率，貼現至其現值。

如估計某一資產或現金產生單位之可回收金額低於其賬面值時，則其賬面值便減低至可回收金額，減值虧損均在收益表中立即確認，惟若其相關資產之賬面值以重估價值入賬，則所作的減值虧損便認為重估減幅。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**(r) Impairment of assets (continued)**

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(s) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(t) Events after the balance sheet date

Events after the balance sheet date that provide additional information about the Group's position at the balance sheet date or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the balance sheet date that are not adjusting events are disclosed in the notes to the financial statements when material.

3. 主要會計政策 (續)**(r) 資產減值 (續)**

當減值虧損於其後期間撥回，則該資產或其現金產生單位便會增至重新評估後的可回收金額。惟所增加的賬面值不能高於該資產或現金產生單位前年度的減值前的賬面值(減去攤銷及折舊)。減值虧損的撥回均馬上在收益表中確認，惟若其相關資產以重估值入賬，則減值虧損的撥回便認列為重估增幅。

(s) 撥備及或然負債

倘因已發生之事件而導致本集團須對若干負債(時間或款額無法確定)承擔法律責任或推定責任，並可能引致經濟利益流出以解決有關責任，及能可靠地估計就此涉及之款額，為此等負債作出之撥備將予以確認。若金錢之時間價值乃屬重大因素，有關之撥備須按預期為解決有關責任之開支現值入賬。

如果流出經濟利益的可能性較低，無法對有關數額作出可靠的估計，則會將該責任披露為或然負債，除非經濟利益外流的可能性極低。如果有關責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，則會披露或然負債，除非經濟利益外流的可能性極低。

(t) 結算日後事項

於結算日後，一些能提供關於本集團於結算日時的額外資料，或一些顯示企業持續經營的假設已不適當的事件均列作調整事件，同時在「財務報表」中披露。而一些重要的結算日後事項(但卻非調整事件)則在「財務報表附註」中予以披露。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

4. CRITICAL JUDGEMENTS AND KEY ESTIMATES

In the process of applying the Group's accounting policies described in note 3 to the financial statements, management has made estimates and assumptions concerning the future. The estimates and assumptions that have significant impact on changes in value of carrying amounts of the most significant amounts of assets/liabilities are discussed below:

(a) Licences, patents and development costs

Determining whether licences and patents and development costs are impaired requires an estimation of the recoverable amount through future commercial activity which requires the Group to estimate the future cash flows expected to arise from the developed services and products. Impairment losses may arise when actual cash flows are less than expected.

Impairment losses of licences and patents and development costs amounted to HK\$1,156,672 and HK\$2,001,725 respectively have been charged to the consolidated income statement for the year ended 30 June 2006.

(b) Share-based payment expenses

The fair value of the share options granted to the directors, employees and other eligible participants determined at the date of grant of the respective share options is expensed over the vesting period, with a corresponding adjustment to the Group's share-based payment reserve. In assessing the fair value of the share options, the Black-Scholes option pricing model (the "Black-Scholes Model") was used. The Black-Scholes Model is one of the generally accepted methodologies used to calculate the fair value of the share options. The Black-Scholes Model requires the input of subjective assumptions, including the expected dividend yield and expected life of options. Any changes in these assumptions can significantly affect the estimate of the fair value of the share options.

4. 主要估計及判斷

在應用本集團如財務報表附錄3所述之會計政策過程中，管理層已為將來作出估計及假設，其中對最重大金額之資產及負債的賬面值有重大的改變的估計及判斷，討論如下：

(a) 特許權、專利權及開發成本

於釐定特許權及專利權及開發等成本應否作減值準備時須透過未來商業活動估計可回收金額。於估計可回收金額時須由本集團估計由於開發產品及服務所預期產生的未來現金流。當實際現金流比預期為低時便會做成減值損失。

於截至2006年6月30日止之年度內，特許權及專利權之減值損失為1,156,672港元，而開發成本之減值損失為2,001,725港元，並已從收益表中支出。

(b) 股份為基礎之付款費用

授予各董事、僱員及其他合資格參與人士的購股權之公平值於相關購股權授出當日釐定，於歸屬期內以開支註銷，並於本集團的股份基礎給付儲備中作出相應的調整。於評估該等購股權的公平值時，採納了畢蘇股權定價模式（「畢蘇模式」）。畢蘇模式是被普遍採納用以計算購股權公平值的方法之一。畢蘇模式必須輸入主觀假設，這些假設包括股利的預期收益率和購股權的預計年期，此等假設如有任何變動均足以對購股權之公平值的估計構成重大影響。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

5. FINANCIAL RISK MANAGEMENT

The Group's activities expose itself to different kinds of financial risk. The management has been monitoring these risk exposures to ensure appropriate measures are implemented on a timely and effective manner so as to mitigate or reduce such risks.

(a) Currency risk

The Group has certain assets, liabilities and transactions denominated in foreign currency and is exposed to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

(b) Interest rate risk

The Group's exposure to change in interest rates is mainly attributable to its bank balances. Bank balances expose the Group to cash flow interest-rate risk. The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

(c) Credit risk

The Group's maximum exposure to credit risk in the event of counterparties failure to perform their obligations as at 30 June 2007 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

(d) Price risk

The Group's financial assets at fair value through profit or loss are measured at fair value at each balance sheet date. Therefore, the Group is exposed to debt security price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

5. 財務風險管理

本集團所經營之業務會為其帶來不同的財務風險。管理層不斷監管此等風險承擔以確保能及時及有效地採取合適措施以減低風險。

(a) 外幣風險

本集團持有若干以外幣計值的資產、負債及交易而須承擔外幣風險。本集團現未有外幣對沖政策，但本集團仍會監管外幣兌換承擔並在需要時考慮為重大外幣承擔作出對沖。

(b) 利率風險

本集團因利率改變而承受的市場風險主要為銀行結餘，而銀行結餘會令本集團承擔現金流之利率風險。本集團現未有利率對沖政策，但管理層仍會監管利率承擔並在需要時考慮為重大利率承擔作出對沖。

(c) 信貸風險

在交易對手未能履行其責任的情況下，於2007年6月30日本集團於每一級別之已確認財務資產的最高承擔為此等資產於綜合報表所呈列之賬面值。本集團並無集中信貸風險，所承擔之風險分散於數位交易對手及客戶。

(d) 價格風險

本集團的經由損益賬按公平值入賬之金融資產以其於結算日之公平值計量。因此，本集團須承擔債券之價格風險。管理層以不同風險程度之投資組合管理此等承擔。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

5. FINANCIAL RISK MANAGEMENT (continued)**(e) Fair values**

The carrying amounts of the Group's financial assets as reflected in the consolidated balance sheet approximate their respective fair values.

(f) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

6. TURNOVER

The Group's turnover represents turnover arising on sales of diagnostic testing services and products, and sales of health food and pharmaceutical products. An analysis of the Group's turnover for the year is as follows:

5. 財務風險管理 (續)**(e) 公平值**

於綜合資產負債表所反映的本集團之金融資產的賬面值與彼等各自的公平值相若。

(f) 流動資金風險

本集團之政策為定期監察現有及預期之流動資金需要，以確保其維持足以應付短期及較長遠流動資金需要之現金儲備。

6. 營業額

本集團之營業額是指從診斷測試服務及產品的銷售及保健產品及藥品的銷售所產生之收入。本年度本集團之營業額分析如下：

		2007	2006
		HK\$	HK\$
		港元	港元
Sales of diagnostic testing services and products	診斷測試服務及 產品之銷售	1,148,009	1,368,404
Sales of health food and pharmaceutical products	保健產品及 藥品之銷售	149,930	-
		1,297,939	1,368,404

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

7. OTHER INCOME**7. 其他收入**

		2007	2006
		HK\$	HK\$
		港元	港元
Interest income	利息收入	677,887	1,061,081
Dividend income from listed investments	來自上市投資項目之股息收入	85,383	-
Fair value gain on financial assets at fair value through profit or loss	經損益賬按公平值入賬之金融資產公平值之收益	4,236,610	-
Gain on disposal of financial assets at fair value through profit or loss	出售經損益賬按公平值入賬之金融資產之收益	11,362,631	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	-	108,000
Handling charges received	已收取之手續費	3,990	12,650
Sundry income	雜項收入	50,658	643
		16,417,159	1,182,374

8. BUSINESS AND GEOGRAPHICAL SEGMENTS
Business Segments

For management purposes, the Group is currently organised into three operating segments:

- Sales of diagnostic testing services The use of blood test and Fibroscan test in the diagnosis of cancerous and certain liver and other diseases.
- Sales of health food and pharmaceutical products Retail business on sales of health food and pharmaceutical products was commenced in December 2006. Accordingly no information about this business segment was presented for the year ended 30 June 2006.
- Research and development Research and development relating to diagnosis of cancer and certain other illnesses.

8. 業務及地區分部
業務分部

為方便管理，本集團現將業務分為三經營分部

- 診斷測試服務之銷售 使用驗血及肝纖維化掃描測試以診斷癌症疾病及若干肝臟及其他疾病。
- 保健產品及藥品之銷售 保健產品及藥品零售業務於2006年12月開業。截至2006年6月30日止年度，並無摘錄相關業務分部資料。
- 研究與開發 有關診斷癌症及若干其他疾病的研究與開發工作。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS 8. 業務及地區分部 (續)*(continued)***Business Segments (continued)****業務分部 (續)**

		Sales of diagnosis testing services 診斷測試 服務之銷售 HK\$ 港元	Sales of health food and pharmaceutical products 保健產品及 藥品之銷售 HK\$ 港元	Research and development 研發與開發 HK\$ 港元	Total 合計 HK\$ 港元
<i>Year ended 30 June 2007</i>	<i>截至2007年6月30日</i>				
TURNOVER	營業額	1,148,009	149,930	–	1,297,939
RESULTS	業績				
Segment results	分部業績	(2,698,802)	(322,796)	(808,685)	(3,830,283)
Other income	其他收入				16,373,215
Unallocated corporate expenses	未分配集團開支				(2,755,546)
Profit before tax	除稅前溢利				9,787,386
Income tax expense	利得稅開支				(1,391,000)
Profit for the year	年度溢利				<u>8,396,386</u>
<i>As at 30 June 2007</i>	<i>於2007年6月30日</i>				
ASSETS	資產				
Segment assets	分部資產	23,021,812	392,216	1,359	23,415,387
Unallocated assets	未分配資產				17,378,156
Total assets	總資產				<u>40,793,543</u>
LIABILITIES	負債				
Segment liabilities	分部負債	1,077,669	51,200	16,021	1,144,890
Unallocated liabilities	未分配負債				1,593,275
Total liabilities	總負債				<u>2,738,165</u>
OTHER INFORMATION	其他資料				
Capital expenditure	資本支出	1,214,889	207,560	–	1,422,449
Depreciation of property, plant and equipment	物業、廠房及 設備之折舊	286,980	30,709	–	317,689
Write-off of inventories	存貨撇賬	70,878	6,450	–	77,328
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備虧損	270,717	–	–	270,717

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS*(continued)***Business Segments** *(continued)***8. 業務及地區分部** *(續)***業務分部** *(續)*

		Sales of diagnosis testing services	Research and development	Total
		診斷測試 服務之銷售	研究與開發	合計
		HK\$	HK\$	HK\$
		港元	港元	港元
<i>Year ended 30 June 2006</i>	<i>截至2006年6月30日</i>			
TURNOVER	營業額	1,368,404	–	1,368,404
RESULTS	業績			
Segment results	分部業績	(5,914,161)	(4,384,921)	(10,299,082)
Other income	其他收入			1,061,081
Unallocated corporate expenses	未分配集團開支			(332,459)
Loss for the year	年度虧損			(9,570,460)

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

8. BUSINESS AND GEOGRAPHICAL SEGMENTS*(continued)***Business Segments** *(continued)*

		Sales of diagnosis testing services	Research and development	Total
		診斷測試 服務之銷售	研究與開發	合計
		HK\$ 港元	HK\$ 港元	HK\$ 港元
<i>As at 30 June 2006</i>	<i>截至2006年6月30日</i>			
ASSETS	資產			
Segment assets	分部資產	20,834,321	283,880	21,118,201
Unallocated assets	未分配資產			7,398,530
Total assets	總資產			<u>28,516,731</u>
LIABILITIES	負債			
Segment liabilities	分部負債	633,695	19,240	<u>652,935</u>
OTHER INFORMATION	其他資料			
Capital expenditure	資本支出	2,655,016	86,507	2,741,523
Depreciation and amortisation	折舊及攤銷	1,138,839	–	1,138,839
Impairment losses of intangible assets	無形資產之 減值損失	–	3,158,397	3,158,397
Fair value loss of financial assets at fair value through profit or loss	經損益賬按公平值 入賬之金融資產 公平值虧損	–	–	<u>332,459</u>

Geographical segments

The revenue and results, assets and liabilities of the Group for the years ended 30 June 2006 and 2007 are derived wholly from customers located in one geographical market, namely Hong Kong.

8. 業務及地區分部 (續)**業務分部 (續)**

		Sales of diagnosis testing services	Research and development	Total
		診斷測試 服務之銷售	研究與開發	合計
		HK\$ 港元	HK\$ 港元	HK\$ 港元
<i>As at 30 June 2006</i>	<i>截至2006年6月30日</i>			
ASSETS	資產			
Segment assets	分部資產	20,834,321	283,880	21,118,201
Unallocated assets	未分配資產			7,398,530
Total assets	總資產			<u>28,516,731</u>
LIABILITIES	負債			
Segment liabilities	分部負債	633,695	19,240	<u>652,935</u>
OTHER INFORMATION	其他資料			
Capital expenditure	資本支出	2,655,016	86,507	2,741,523
Depreciation and amortisation	折舊及攤銷	1,138,839	–	1,138,839
Impairment losses of intangible assets	無形資產之 減值損失	–	3,158,397	3,158,397
Fair value loss of financial assets at fair value through profit or loss	經損益賬按公平值 入賬之金融資產 公平值虧損	–	–	<u>332,459</u>

地區分部

本集團於截至2006年及2007年6月30日止兩年度的收入及業績、資產與負債全部均源自單一地區市場的客戶，即香港。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

9. INCOME TAX EXPENSE**9. 利得稅開支**

		2007	2006
		HK\$	HK\$
		港元	港元

Current tax – Hong Kong Profits Tax	本期稅項 – 香港利得稅	1,391,000	–
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Hong Kong Profits Tax has been provided at a rate of 17.5% on the estimated assessable profit for the year ended 30 June 2007. No provision for Hong Kong Profits Tax has been made for the year ended 30 June 2006 as the Group did not generate any assessable profits arising in Hong Kong during that year.

截至2007年6月30日止之香港利得稅乃根據估計應課稅溢利按17.5%之稅率計算。由於本集團截至2006年6月30日止並無任何應課稅溢利，故此毋須為香港所得稅作撥備。

The income tax expense can be reconciled to the profit/(loss) before tax per the consolidated income statement as follows:

年內利得稅開支可與綜合收益表所列溢利／（虧損）對賬如下：

		2007	2006
		HK\$	HK\$
		港元	港元

Profit/(Loss) before tax	除稅前溢利／（虧損）	9,787,386	(9,570,460)
Tax calculated at the tax rate of 17.5% (2006: 17.5%)	按稅率17.5%計算的稅項 （2006: 17.5%）	1,712,790	(1,674,830)
Tax effect of expenses not deductible in determining taxable profits	於釐定應課稅溢利時不能扣稅的 支出的稅務影響	176,434	483,784
Tax effect of income not taxable in determining taxable profits	於釐定應課稅溢利時毋須課稅的 收入的稅務影響	(129,989)	(185,690)
Tax effect of temporary differences not recognised	未確認暫時差額的稅務影響	(105,184)	438,906
Tax effect of utilisation of tax losses not previously recognised	使用未確認稅務虧損 的稅務影響	(65,718)	–
Tax effect of loss not recognised	未確認虧損之稅務影響	102,667	937,830
Underprovision in current year	本年度少計撥備	(300,000)	–
Income tax expense	利得稅開支	1,391,000	–

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

10. PROFIT/(LOSS) BEFORE TAXProfit/(Loss) before tax has been arrived at after charging/
(crediting):**10. 除稅前溢利／(虧損)**

除稅前溢利／(虧損)已扣除／(計入)下列項目：

		2007	2006
		HK\$	HK\$
		港元	港元
Amortisation of intangible assets	無形資產攤銷	-	773,845
Less: Amounts capitalised as development costs	減：資本化為開發成本之金額	-	(314,088)
Amortisation included in other operating expenses	計入其他營運費用之攤銷	-	459,757
Auditor's remuneration	核數師酬金	292,500	175,000
Cost of inventories sold	出售存貨成本	263,111	108,372
Depreciation	折舊	317,689	679,082
Exchange losses	匯兌損失	88,412	8,171
Fair value (gain)/loss of financial assets at fair value through profit or loss	經損益賬按公平值入賬之金融資產公平值之(收益)／虧損	(4,236,610)	332,459
Gain on disposal of financial assets at fair value through profit or loss	出售經損益賬按公平值入賬之金融資產之收益	(11,362,631)	-
Impairment losses of intangible assets included in other operating expenses	已計入其他營運費用中之無形資產減值損失	-	3,158,397
Operating leases in respect of	經營租賃租金		
Office premises	辦公室	257,909	183,300
Retail shop	零售店	119,840	-
Directors' quarters	董事房屋	136,000	816,000
Research and development expenditure other than amortisation, staff costs and share-based payment expenses	未包括攤銷、員工成本及以股份為基礎之付款之費用的研究與開發支出	-	52,444
Staff costs	員工成本		
Directors' emoluments including directors' quarters (note 11)	董事酬金包括董事房屋(附註11)	2,341,084	1,607,805
Other staff's retirement scheme contributions	其他員工之退休福利計劃供款	57,584	60,440
Other staff's salaries and wages	其他員工之薪金及工資	1,353,355	1,330,746
Other staff's share-based payments expenses	其他員工之以股份為基礎之付款費用	-	795,099
Other welfares	其他福利	21,146	18,277
		3,773,169	3,812,367
Share-based payment expenses not included in staff costs	不計入員工成本之以股份為基礎之付款費用	785,296	734,076
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	270,717	-
Write-off of inventories included in cost of inventories sold	已計入出售存貨成本之存貨撇賬	77,328	-
Write-off of property, plant and equipment included in other operating expenses	已計入其他營運費用之物業、廠房及設備撇賬	-	133,127

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

11. DIRECTORS' EMOLUMENTS

During the year ended 30 June 2007 and 2006, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the years.

Details of emoluments of individual executive, non-executive and independent non-executive directors are set out below:

11. 董事酬金

本集團於截至2006年及2007年6月30日止兩年度內並無支付董事作為其加入或當其加入時的獎勵或作為其退任的補償。年內亦無董事放棄任何酬金。

予個別執行、非執行及獨立非執行董事的酬金詳列如下：

		Salaries, allowances and other benefits	Retirement scheme contributions	2007 Total
	Directors' fees	薪金、津貼 及其他福利	退休計劃 供款	2007年 合計
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
	港元	港元	港元	港元
For the year ended 30 June 2007	截至2007年6月30日止年度			
Executive directors	執行董事			
Mr. Lui Chi Wah, Johnny (a)	–	1,971,371	27,500	1,998,871
Mr. Wu Kai (b)	120,000	–	–	120,000
Dr. Yeung Wah Hin, Alex (c)	–	194,000	2,000	196,000
Mr. Cheng Yan Tak, Angus Ronald (d)	–	–	–	–
Mr. Cho Kam Luk (c)	–	–	–	–
Ms. Yeung Tsui Mai Ling, Margaret (c)	–	–	–	–
	<u>120,000</u>	<u>2,165,371</u>	<u>29,500</u>	<u>2,314,871</u>
Non-executive directors	非執行董事			
Mr. Lau Kam Shan	–	–	–	–
Independent non-executive directors	獨立非執行董事			
Mr. Chan Po Kwong	–	–	–	–
Mr. Kwok Shun Tim (h)	–	–	–	–
Mr. Lam Yan Wing (i)	–	–	–	–
Mr. Chan Siu Wing, Raymond (d)	25,500	–	713	26,213
Mr. Wong Kin Fung (g)	–	–	–	–
	<u>25,500</u>	<u>–</u>	<u>713</u>	<u>26,213</u>
	<u>145,500</u>	<u>2,165,371</u>	<u>30,213</u>	<u>2,341,084</u>

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For the year ended 30 June 2007 截至2007年6月30日止年度

11. DIRECTORS' EMOLUMENTS (continued)

11. 董事酬金 (續)

		Salaries, allowances and other benefits	Retirement scheme contributions	Share-based payments	2006 Total
	Directors' fees	薪金、津貼 及其他福利	退休計劃 供款	以股份為基 礎之付款	2006年 合計
	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元
For the year ended 30 June 2006	截至2006年6月30日止年度				
Executive directors	執行董事				
Dr. Yeung Wah Hin, Alex (c)	-	1,176,000	12,000	66,453	1,254,453
Mr. Cheng Yan Tak, Angus Ronald (d)	-	-	-	33,226	33,226
Mr. Cho Kam Luk (c)	-	-	-	33,226	33,226
Ms. Yeung Tsui Mai Ling, Margaret (c)	-	-	-	33,226	33,226
	-	1,176,000	12,000	166,131	1,354,131
Non-executive directors	非執行董事				
Mr. Lau Kam Shan	-	-	-	33,226	33,226
Independent non-executive directors	獨立非執行董事				
Dr. Ngan Man Wong, Matthew (e)	-	-	-	43,355	43,355
Dr. Loh Kai Tsu, Kevin (f)	-	-	-	-	-
Mr. Chan Siu Wing, Raymond (d)	28,242	-	1,412	57,129	86,783
Mr. Chan Po Kwong	-	-	-	90,310	90,310
Mr. Wong Kin Fung (g)	-	-	-	-	-
	28,242	-	1,412	190,794	220,448
	28,242	1,176,000	13,412	390,151	1,607,805

Notes:

- (a) Appointed on 2 August 2006
 (b) Appointed on 22 August 2006
 (c) Resigned on 2 August 2006
 (d) Resigned on 22 August 2006
 (e) Resigned on 22 March 2006
 (f) Resigned on 24 October 2005
 (g) Retired on 2 November 2006
 (h) Appointed on 13 September 2006
 (i) Appointed on 30 January 2007

附註:

- (a) 於2006年8月2日委任
 (b) 於2006年8月22日委任
 (c) 於2006年8月2日辭任
 (d) 於2006年8月22日辭任
 (e) 於2006年3月22日辭任
 (f) 於2005年10月24日辭任
 (g) 於2006年11月2日退任
 (h) 於2006年9月13日委任
 (i) 於2007年1月30日委任

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For the year ended 30 June 2007 截至2007年6月30日止年度

12. EMPLOYEES' EMOLUMENTS

The five highest paid individuals in the Group included two (2006: one) executive directors of the Company, whose emoluments are included in note 11 above. The emoluments of the remaining three (2006: four) individuals are as follows:

		2007	2006
		HK\$	HK\$
		港元	港元
Salaries and allowances	薪金及津貼	645,122	978,983
Retirement scheme contributions	退休計劃供款	26,900	43,725
Share-based payments	以股份為基礎之付款費用	–	287,385
		672,022	1,310,093

The emoluments of the remaining three (2006: four) highest paid individuals were within the following band:

	Number of individuals	
	僱員數目	
	2007	2006
HK\$Nil – HK\$1,000,000	3	4

During the year, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. DIVIDENDS

No dividend has been paid or declared by the Company for the year (2006: Nil).

14. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on the profit for the year attributable to the equity holders of the Company of HK\$8,396,386 (2006: loss of HK\$9,570,460) and on the weighted average number of ordinary shares of 375,883,507 (2006: 375,982,170) in issue during the year.

The calculation of the diluted earnings per share for the year ended 30 June 2007 is based on the profit attributable to equity holders of the Company of HK\$8,396,386 and the weighted average number of 379,036,662 shares, being the weighted average number of ordinary shares outstanding during the year, adjusted for the effects on assumed exercise of share options.

The computation of diluted loss per share for the year ended 30 June 2006 has not been presented because the assumed exercises of share options, which were outstanding during the year, had anti-dilutive effects on the basic loss per share.

12. 僱員酬金

本集團五位最高酬金的酬金包括兩位本公司執行董事(2006年:一位),其酬金列於前述之附錄11。其餘三位最高酬金之僱員(2006年:四位)的酬金如下:

	2007	2006
	HK\$	HK\$
	港元	港元
Salaries and allowances	645,122	978,983
Retirement scheme contributions	26,900	43,725
Share-based payments	–	287,385
	672,022	1,310,093

其餘三位最高酬金之僱員(2006年:四位)屬於以下群組:

	Number of individuals	
	僱員數目	
	2007	2006
HK\$Nil – HK\$1,000,000	3	4

年內本集團並無支付予該五名最高酬金僱員作為其加入或於其加入時的獎勵或作為其退任之補償。

13. 股息

在本年度內本公司並無宣派或支付股息(2006年:無)。

14. 每股盈利/(虧損)

本年度之每股基本盈利/(虧損)乃根據本公司股東應佔溢利8,396,386港元(2006年:虧損9,570,460港元)及已發行普通股加權平均股數375,883,507股(2006年:375,982,170股)計算。

截至2007年6月30日止年度之每股攤薄盈利乃根據本公司股東應佔溢利8,396,386港元及已發行普通股之加權平均股數379,036,662股計算,並就假設已行使之購股權之影響作出調整。

截至2006年6月30日止年度內,由於假設行使購股權(而該年度內尚未行使)會對每股基本虧損有反攤薄作用,故並無呈列每股攤薄虧損的計算方法。

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For the year ended 30 June 2007 截至2007年6月30日止年度

15. INTANGIBLE ASSETS

The Group carried out reviews of the recoverable amount of its intangible assets in 2006 and 2007, having regard to the market conditions of the Group's services. These assets were used in the Group's research and development segment. The review led to the recognition of impairment losses of HK\$2,001,725 for development costs and HK\$1,156,672 for licences and patents, which had been recognised in the prior year income statement. The recoverable amount had been determined on the basis of their value in use. In the opinion of the management, no future cash inflow would be generated from the relevant assets. Impairment losses had been fully provided for the year ended 30 June 2006.

Details of the intangible assets of the Group at the balance sheet date are set out below:

15. 無形資產

本集團於2006年及2007年按其服務的市場狀況進行其可回收無形資產審閱。此等資產乃用於本集團的研究與開發業務。該審閱已導致開發成本之減值損失2,001,725港元及特許權及專利權之減值損失1,156,672港元（此兩項減值已於去年的收益表反映）。可回收金額已經根據使用價值來釐定。管理層認為相關資產將不會產生現金流入，同時減值損失已於截至2006年6月30日止之年度內全數作出撥備。

本集團之無形資產於截至結算日止之詳細情況如下：

		Development costs	Licences and patents	Total
		開發成本	特許權及 專利權	合計
		HK\$	HK\$	HK\$
		港元	港元	港元
Cost	成本			
At 1 July 2005	於2005年7月1日	3,612,637	2,490,731	6,103,368
Additions	增添	314,088	113,443	427,531
At 30 June 2006 and 30 June 2007	於2006年6月30日及 2007年6月30日	3,926,725	2,604,174	6,530,899
Accumulated amortisation and impairment losses	累計攤銷及減值損失			
At 1 July 2005	於2005年7月1日	1,505,000	1,093,657	2,598,657
Charge to consolidated income statement	於綜合收益表中扣除	420,000	39,757	459,757
Amount capitalised as development costs	開發成本資本化的金額	-	314,088	314,088
Impairment losses	減值損失	2,001,725	1,156,672	3,158,397
At 30 June 2006 and 30 June 2007	於2006年6月30日及 2007年6月30日	3,926,725	2,604,174	6,530,899
Carrying amount	賬面金額			
At 30 June 2006 and 30 June 2007	於2006年6月30日及 2007年6月30日	-	-	-

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For the year ended 30 June 2007 截至2007年6月30日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Construction in progress	Laboratory equipment	Leasehold improvements	Office equipment, furniture and fixtures 辦公室 設備、傢具 及固定裝置	Motor vehicles	Total
		在建工程	實驗室 設備	裝修	及固定裝置	汽車	合計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Cost	成本						
At 1 July 2005	於2005年7月1日	-	1,041,434	269,492	659,660	94,206	2,064,792
Additions	增添	1,500,000	670,400	-	18,680	439,000	2,628,080
Disposals/Write-off	出售/撇賬	-	-	(269,492)	(385,897)	(94,206)	(749,595)
At 30 June 2006 and 1 July 2006	於2006年6月30日 及7月1日	1,500,000	1,711,834	-	292,443	439,000	3,943,277
Additions	增添	-	1,021,886	337,580	62,983	-	1,422,449
Disposals/Write-off	出售/撇賬	-	-	-	-	(439,000)	(439,000)
At 30 June 2007	於2007年6月30日	1,500,000	2,733,720	337,580	355,426	-	4,926,726
Accumulated depreciation and impairment	累計折舊及減值損失						
At 1 July 2005	於2005年7月1日	-	742,000	127,384	495,093	94,206	1,458,683
Charge for the year	年內費用	-	400,674	53,898	136,710	87,800	679,082
Disposals/Write-off	出售/撇賬	-	-	(181,282)	(340,980)	(94,206)	(616,468)
At 30 June 2006 and 1 July 2006	於2006年6月30日 及7月1日	-	1,142,674	-	290,823	87,800	1,521,297
Charge for the year	年內費用	-	191,136	41,550	4,520	80,483	317,689
Disposals/Write-off	出售/撇賬	-	-	-	-	(168,283)	(168,283)
At 30 June 2007	於2007年6月30日	-	1,333,810	41,550	295,343	-	1,670,703
Carrying amount	賬面金額						
At 30 June 2007	於2007年6月30日	1,500,000	1,399,910	296,030	60,083	-	3,256,023
At 30 June 2006	於2006年6月30日	1,500,000	569,160	-	1,620	351,200	2,421,980

Construction in progress represents work in progress of designs and renovation in respect of a molecular testing laboratory workshop in a body-check centre which is still under construction.

在建工程指還在興建中的一體檢中心內的分子測試實驗室工作室中正在進行中的設計及裝修工程。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

17. INVENTORIES**17. 存貨**

		2007	2006
		HK\$	HK\$
		港元	港元
Pharmaceutical supplies	醫藥供應品	–	44,846
Health food and pharmaceutical products	保健產品及藥品	100,527	–
		100,527	44,846

18. TRADE AND OTHER RECEIVABLES**18. 貿易及其他應收款項**

		2007	2006
		HK\$	HK\$
		港元	港元
Trade receivables	貿易應收款項	160,678	144,829
Payment for shares of initial public offering application	支付認購首次公開招股股份之款項	7,267,395	–
Receivable arising from dealing in listed securities	買賣上市證券所產生之應收款項	10,329,660	–
Deposits	按金	141,858	330,335
Prepayments	預付款項	130,938	115,695
Other receivables	其他應收款項	21,436	21,709
		18,051,965	612,568

The Group allows its customers with an average credit period of 30 days. The aging analysis of trade receivables at the balance sheet date based on the invoice date is as follows:

本集團授予顧客的平均賒賬期間為30天。按發票日期於結算日的貿易應收款項之賬齡分析如下：

		2007	2006
		HK\$	HK\$
		港元	港元
0 – 30 days	0至30天	78,805	104,883
31 – 60 days	31至60天	18,870	29,935
61 – 90 days	61至90天	19,100	9,281
> 90 days	超過90天	43,903	730
		160,678	144,829

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**19. 經損益賬按公平值入賬之金融資產**

		2007	2006
		HK\$	HK\$
		港元	港元
Held for trading and at fair value	持作買賣及按公平值		
Listed equity securities in Hong Kong	香港上市之股本證券	15,262,864	—
Unlisted debt securities (note)	非上市債券 (附註)	—	7,398,530
		15,262,864	7,398,530

Note: The above unlisted debt securities represented five-year treasury notes of the United States with interest rate of 4% per annum. Their fair values were determined based on the market price provided by the relevant financial institution. The Group had disposed of the treasury notes in the current year.

附註：上述非上市債券代表五年期美國國庫票據，年利率為4%，其公平值按相關金融機構所提供的市場價格釐定。本集團已於本年出售上述之美國國庫票據。

20. CASH AND BANK BALANCES

Cash and bank balances comprises cash held by the Group and bank balances that bear interest at prevailing market rates of 2.75% (2006: 4.98%) per annum and have original maturity of one month or less (2006: one month or less)

20. 現金及銀行結餘

現金及銀行結餘包括本集團持有之現金，以及原到期日為一個月或以內（2006年：一個月或以內）並按2.75厘（2006年：4.98厘）之現行市場年利率計息之銀行結餘。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

21. TRADE AND OTHER PAYABLES**21. 貿易及其他應付款項**

		2007	2006
		HK\$	HK\$
		港元	港元
Trade payables	貿易應付款項	13,703	–
Other payables and accrued charges	其他應付款項及應計費用	1,333,462	652,709
Amount due to a related company (see note 28d)	應付關連公司款項 (附註28(d))	–	226
		1,347,165	652,935

The following is an aged analysis of trade payables at the balance sheet date:

於結算日貿易應付款項之賬齡分析如下：

		2007	2006
		HK\$	HK\$
		港元	港元
0 – 30 days	0 – 30天	9,087	–
31 – 60 days	31 – 60天	2,051	–
61 – 90 days	61 – 90天	386	–
> 90 days	超過90天	2,179	–
		13,703	–

22. DEFERRED TAXATION

At the balance sheet date, the major components of the unprovided deferred taxation of the Group are as follows:

22. 遞延稅項

本集團於結賬日的未撥備遞延稅項主要部分如下：

		2007	2006
		HK\$	HK\$
		港元	港元
Accelerated depreciation allowance	加速折舊抵免	(180,108)	(74,924)
Future benefits of tax losses	稅項虧損之未來利益	4,610,587	4,083,602
		4,430,479	4,008,678

No deferred tax assets has been recognised as the generation of future taxable profits against which the assets can be utilised is uncertain. The tax losses can be carried forward indefinitely.

由於未能確定未來產生的應課稅溢利能否抵銷可動用的遞延稅項資產，故並無確認該等遞延稅項資產。稅項虧損可無限期結轉。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

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23. SHARE CAPITAL**23. 股本**

		Number of shares 股份數目	Nominal value 面值 HK\$ 港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股		
Authorised	法定		
At 1 July 2005, 30 June 2006 and 2007	於2005年7月1日、2006年 及2007年6月30日	1,000,000,000	10,000,000
Issued and fully paid	已發行及繳足		
At 1 July 2005	於2005年7月1日	383,076,000	3,830,760
Shares repurchase (note a)	股份購回 (附註a)	(9,484,000)	(94,840)
At 30 June 2006 and 1 July 2006	於2006年6月30日及7月1日	373,592,000	3,735,920
Exercise of share options (note b)	行使購股權 (附註b)	9,000,000	90,000
At 30 June 2007	於2007年6月30日	382,592,000	3,825,920

Notes:

- (a) During the year ended 30 June 2006, the Company repurchased its own shares on GEM as follows:

Month of repurchase 購回月份	Number of shares repurchased 購回股份數目	Price per share 每股價格		Aggregate consideration paid 所支付之總代價 HK\$ 港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
July 2005	2005年7月份	3,500,000	0.207	655,796
November 2005	2005年11月份	5,984,000	0.145	822,610
Total	合計	9,484,000		1,478,406

The above shares were cancelled upon repurchases and accordingly the issued share capital of the Company was reduced by the par value of these shares which amounted to HK\$94,840. An aggregate amount of HK\$1,383,566 representing the premium portion and brokerage expenses payable on the repurchases was charged against the share premium account.

附註:

- (a) 於截至2006年6月30日止之年度內，本公司在創業板購回其股份之詳情如下：

上述股份在購回時已註銷，據此，本公司之已發行股本已按此等股份之票面值減少94,840港元。一筆相等於在購回股份時之溢價部份及應付經紀開支之總額1,383,566港元已在股份溢價賬中對銷。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

23. SHARE CAPITAL (continued)

- (b) During the year ended 30 June 2007, the Company had issued a total of 9,000,000 ordinary shares of HK\$0.01 each upon the exercise of share options as follows:

Exercise price per share 每股行使價		Number of shares issued upon exercise 行使所發行之 股份數目	Amounts of share exercised 已行使金額 HK\$ 港元	Share capital increased upon exercise 行使所增加 之股本 HK\$ 港元	Share premium increased upon exercise 行使所增加 之股份溢價 HK\$ 港元
HK\$0.105	0.105港元	3,100,000	325,500	31,000	294,500
HK\$0.116	0.116港元	5,900,000	684,400	59,000	625,400
		9,000,000	1,009,900	90,000	919,900

24. SHARE OPTIONS

- (a) A share option scheme (the "Share Option Scheme") was adopted by the shareholders of the Company on 20 April 2004 for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

The board of Directors (the "Board") may, at its discretion, invite any employees, Directors, advisors, consultants, licensors, distributors, suppliers, agents, customers, joint venture partners, strategic partners and services providers of and/or to any member of the Group whom the Board considers in its sole discretion, to have contributed to the Group from time to time (together "Participants") to take up options to subscribe for shares of the Company ("Options").

23. 股本 (續)

- (b) 於截至2007年6月30日止之年度內，在行使購股權上，本公司一共發行9,000,000股普通股，每股面值0.01港元，詳情如下：

24. 購股權

- (a) 本公司股東於2004年4月20日採納購股權計劃（「購股權計劃」），以激勵及獎勵為本集團業務的成功作出貢獻的合資格參與者。

董事會（「董事會」）可酌情邀請董事會全權酌情認為其不時對本集團有貢獻的本集團及／或本集團任何成員公司的任何僱員、董事、諮詢人、顧問、許可授權人、分銷商、供應商、代理人、客戶、合資夥伴、策略夥伴及服務供應商（統稱「參與者」）接受可認購本公司股份的購股權（「購股權」）。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

24. SHARE OPTIONS *(continued)*(a) *(continued)*

Options granted should be accepted within 14 days from the date of grant. Upon acceptance of the Options, the eligible person shall pay HK\$1 to the Company by way of consideration for the grant. The Options may be exercised in accordance with the terms of the Share Option Scheme at any time during the option period after the Options has been granted by the Board. An option period is a period to be determined by the Board in its absolute discretion and notified by the Board to each eligible person as being the period during which any Options may be exercised, such period to expire not later than 10 years after the date of grant of the Options.

The subscription price will be determined by the Board of the Company at its absolute discretion and shall be no less than the highest of: (a) the closing price of the shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant which must be a business day; and (b) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share.

The total number of shares which may be issued upon exercise of all outstanding options granted or to be granted under the Share Option Scheme is 10% of the issued share capital of the Company as at the listing date of the Company on GEM (the "Scheme Mandate Limit"). The Company may renew the Scheme Mandate Limit at any time subject to prior shareholders of the Company's approval.

No Participants shall be granted an option which, if exercised in full, would result in such Participants becoming entitled to subscribe for such number of shares as, when aggregated with the total number of shares already issued under all the options previously granted to him or her which have been exercised, and, issuable under all the outstanding options previously granted to him or her which are for the time being subsisting and unexercised, would exceed 1% of the total number of shares in issue in any 12-month period up to the date of grant of the Options.

24. 購股權 *(續)*(a) *(續)*

授出的購股權須於授出日期起計14日內予以接納。合資格人士於接納購股權後須向本公司支付1港元作為獲授予購股權的代價。購股權可按購股權計劃的條款於董事會授出購股權後在購股權期限隨時行使。購股權期限乃由董事會全權酌情釐定的期限，並由董事會通知各承授人購股權可於該期限行使，該期限指於授出購股權當日後起計不得超過10年屆滿。

認購價將由本公司董事會全權酌情釐定，並且不得少於下列三者中的最高者：(a)授出當日（必須為營業日）聯交所發出的每日報價表所載的股份收市價；及(b)聯交所發出的每日報價表所載的緊接授出日期前五個營業日的股份平均收市價；及(c)股份面值。

根據購股權計劃已授出或將授出但尚未行使的購股權倘獲行使而可能發行的股份總數為本公司於創業板之上市日期的已發行股本的10%（計劃授權限額）。如取得本公司股東的預先通過，本公司可於任何時間延續計劃授權限額。

直至授出購股權當日止的任何十二個月期間，倘先前向某位參與者授出購股權因悉數行使而導致該名參與者有權認購的該等股份數目連同先前根據所有授予的已行使購股權而獲發行及未行使而未發行的股份合計總數超過已發行股份數目的1%，則該參與者將不獲授購股權。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

24. SHARE OPTIONS (continued)

(a) (continued)

Unless early terminated in accordance with the terms therein, the Share Option Scheme will remain valid and effective for a period of 10 years commencing on 18 June 2004.

Share options do not confer rights on the holder to dividends or to vote at the shareholders' meeting.

Details of the movements in share options granted under the Share Option Scheme during the year ended 30 June 2007 are set out as follows:

24. 購股權 (續)

(a) (續)

除非購股權計劃按照其條款提早終止，否則購股權計劃由2004年6月18日起計10年期間內維持有效。

購股權並不賦予持有人享有股息及於股東大會上投票之權力。

於截至2007年6月30日止年度按購股權計劃已授出之購股權變動詳情如下：

Date of grant	Exercisable period	Exercise price per share	Number of underlying shares in respect of which share options were granted			
			Outstanding at 01/07/2006	Granted	Exercised/Cancelled/Lapsed	Outstanding at 30/06/2007
授出日期	行使期限	每股行使價	於2006年7月1日尚未行使	已授出	已行使/已註銷/已失效	於2007年6月30日尚未行使
		HK\$				
		港元				
Directors	董事					
20/06/2005	20/06/2005 – 19/06/2008	0.225	6,225,266	–	5,114,155	1,111,111
20/06/2005	20/06/2005 – 19/06/2015	0.225	3,999,999	–	3,999,999	–
19/06/2006	19/06/2006 – 18/06/2009	0.105	3,000,000	–	2,500,000	500,000
19/06/2006	19/06/2006 – 18/06/2016	0.105	2,003,835	–	1,055,342	948,493
Employees	僱員					
26/06/2006	26/06/2006 – 25/06/2016	0.116	4,700,000	–	4,100,000	600,000
Other eligible participants	其他合資格參與人士					
26/06/2006	26/06/2006 – 25/06/2016	0.116	3,600,000	–	3,600,000	–
Total	合計		23,529,100	–	20,369,496	3,159,604
Weighted average exercise price (HK\$)	加權平均行使價 (港元)		0.1610	–	0.1629	0.1493

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

24. SHARE OPTIONS (continued)

(a) (continued)

Details of the movements in share options granted under the Share Option Scheme during the year ended 30 June 2006 are set out as follows:

24. 購股權 (續)

(a) (續)

於截至2006年6月30日止年度按購股權計劃已授出之購股權變動詳情如下：

Date of grant	Exercisable period	Exercise price per share	Number of underlying shares in respect of which share options were granted			
			Outstanding at 01/07/2005	Granted	Exercised/Cancelled/Lapsed	Outstanding at 30/06/2006
授出日期	行使期限	每股行使價	於2005年7月1日尚未行使	已授出	已行使/已註銷/已失效	於2006年6月30日尚未行使
		HK\$ 港元				
Directors	董事					
20/06/2005	20/06/2005 – 19/06/2008	0.225	6,225,266	–	–	6,225,266
20/06/2005	20/06/2005 – 19/06/2015	0.225	3,999,999	–	–	3,999,999
19/06/2006	19/06/2006 – 18/06/2009	0.105	–	3,000,000	–	3,000,000
19/06/2006	19/06/2006 – 18/06/2016	0.105	–	2,003,835	–	2,003,835
Employees	僱員					
26/06/2006	26/06/2006 – 25/06/2016	0.116	–	4,700,000	–	4,700,000
Other eligible participants	其他合資格參與人士					
26/06/2006	26/06/2006 – 25/06/2016	0.116	–	3,600,000	–	3,600,000
Total	合計		10,225,265	13,303,835	–	23,529,100
Weighted average exercise price (HK\$)	加權平均行使價(港元)		0.2250	0.1120	–	0.1610

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

24. SHARE OPTIONS (continued)

(a) (continued)

The options outstanding at the end of the year have a weighted average remaining contractual life of approximately 6.16 years (2006: approximately 6.82 years).

Total consideration received during the year ended 30 June 2006 from directors, employees and other eligible participants for accepting the options granted amounted to HK\$17.

- (b) Under an agreement entered into between the Chinese University and the Company on 8 August, 2002 relating to the grant of a right of first refusal to the Company by the Chinese University in respect of certain technology and inventions, as amended and supplemented by agreements dated 31 October, 2003 and 16 April, 2004 (the "Right of First Refusal Agreement"), the Company will be offered a right of first refusal for the grant by the Chinese University of a royalty-bearing exclusive licence to use and commercially develop certain technologies and inventions and other non-invasive diagnostic technologies for detecting cancer and foetal diseases developed by Professor Lo Yuk Ming, Dennis in future.

In return, the Company agreed to grant to the Chinese University or such person as the Chinese University may direct (including trustees of any funds) options to subscribe for shares or to pay cash up to a maximum amount of HK\$4,600,000 over the period of the term of such agreement of four years commencing from 18 June, 2004. Such grant of options will be granted to the Chinese University at intervals of twelve months. Such options are not intended to be granted under the share option scheme adopted by the Company on 20 April 2004.

24. 購股權 (續)

(a) (續)

於本年度終尚未行使之購股權之加權平均尚餘有效期約為6.16年(2006年:約6.82年)。

於2006年6月30日止年度內,從董事、僱員及其他合資格參與者收到因接受購股權之授予的金額為17港元。

- (b) 根據中文大學與本公司於2002年8月8日訂立有關中文大學授予本公司優先購買若干技術及發明的權利的協議(經日期為2003年10月31日及2004年4月16日的協議修改及補充)(「優先購買權協議」),本公司將享有獲中文大學授予須支付專利權費的獨家特許權的優先購買權,可以使用及以商業形式開發盧煜明教授日後所研發的若干技術及發明及其他用以偵查癌症及胎兒疾病的非創傷性診斷技術。

作為交換,本公司同意授予中文大學或中文大學指定的人士(包括任何基金的受託人)購股權,可以由2004年6月18日起計的該協議的4年期限內認購股份或支付最高達金額4,600,000港元的現金。該等購股權將每次相隔十二個月授予中文大學。該等購股權不擬根據本公司於2004年4月20日採納的購股權計劃授出。

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For the year ended 30 June 2007 截至2007年6月30日止年度

24. SHARE OPTIONS (continued)

(b) (continued)

Details of the movements in share options granted to Chinese University during the year ended 30 June 2007 are set out as follows:

Date of grant	Exercisable period	Exercise price per share	Number of underlying shares in respect of which share options were granted 已授出購股權之相關股份數目			
			Outstanding at 01/07/2006 於2006年7月1日 尚未行使	Granted	Exercised/Cancelled/Lapsed	Outstanding at 30/06/2007 於2007年6月30日 尚未行使
授出日期	行使期限	每股行使價 HK\$ 港元		已授出	已行使/ 已註銷/ 已失效	
28/06/2005	28/12/2005 – 27/06/2010	0.223	4,484,305	–	–	4,484,305
26/06/2006	26/12/2006 – 25/06/2011	0.116	9,482,758	–	–	9,482,758
22/06/2007	22/12/2007 – 21/06/2012	0.295	–	4,067,796	–	4,067,796
Total	合計		13,967,063	4,067,796	–	18,034,859
Weighted average exercise price (HK\$)	加權平均行使價(港元)		0.1504	0.2950	–	0.1830

Details of the movements in share options granted to Chinese University during the year ended 30 June 2006 are set out as follows:

Date of grant	Exercisable period	Exercise price per share	Number of underlying shares in respect of which share options were granted 已授出購股權之相關股份數目			
			Outstanding at 01/07/2005 於2005年7月1日 尚未行使	Granted	Exercised/Cancelled/Lapsed	Outstanding at 30/06/2006 於2006年6月30日 尚未行使
授出日期	行使期限	每股行使價 HK\$ 港元		已授出	已行使/ 已註銷/ 已失效	
28/06/2005	28/12/2005 – 27/06/2010	0.223	4,484,305	–	–	4,484,305
26/06/2006	26/12/2006 – 25/06/2011	0.116	–	9,482,758	–	9,482,758
Total	合計		4,484,305	9,482,758	–	13,967,063
Weighted average exercise price (HK\$)	加權平均行使價(港元)		0.223	0.116	–	0.1504

24. 購股權 (續)

(b) (續)

於截至2007年6月30日止年度已授出予中文大學之購股權變動詳情如下:

Date of grant	Exercisable period	Exercise price per share	Number of underlying shares in respect of which share options were granted 已授出購股權之相關股份數目			
			Outstanding at 01/07/2006 於2006年7月1日 尚未行使	Granted	Exercised/Cancelled/Lapsed	Outstanding at 30/06/2007 於2007年6月30日 尚未行使
授出日期	行使期限	每股行使價 HK\$ 港元		已授出	已行使/ 已註銷/ 已失效	
28/06/2005	28/12/2005 – 27/06/2010	0.223	4,484,305	–	–	4,484,305
26/06/2006	26/12/2006 – 25/06/2011	0.116	9,482,758	–	–	9,482,758
22/06/2007	22/12/2007 – 21/06/2012	0.295	–	4,067,796	–	4,067,796
Total	合計		13,967,063	4,067,796	–	18,034,859
Weighted average exercise price (HK\$)	加權平均行使價(港元)		0.1504	0.2950	–	0.1830

於截至2006年6月30日止年度已授出予中文大學之購股權變動詳情如下:

Date of grant	Exercisable period	Exercise price per share	Number of underlying shares in respect of which share options were granted 已授出購股權之相關股份數目			
			Outstanding at 01/07/2005 於2005年7月1日 尚未行使	Granted	Exercised/Cancelled/Lapsed	Outstanding at 30/06/2006 於2006年6月30日 尚未行使
授出日期	行使期限	每股行使價 HK\$ 港元		已授出	已行使/ 已註銷/ 已失效	
28/06/2005	28/12/2005 – 27/06/2010	0.223	4,484,305	–	–	4,484,305
26/06/2006	26/12/2006 – 25/06/2011	0.116	–	9,482,758	–	9,482,758
Total	合計		4,484,305	9,482,758	–	13,967,063
Weighted average exercise price (HK\$)	加權平均行使價(港元)		0.223	0.116	–	0.1504

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For the year ended 30 June 2007 截至2007年6月30日止年度

24. SHARE OPTIONS (continued)

(b) (continued)

The options outstanding at the end of the year have a weighted average remaining contractual life of approximately 3.97 years (2006: approximately 4.18 years).

For share options granted and vested before 1 July 2005 did not result in a charge to the income statement. When the grantees chose to exercise the options, the nominal amounts of share capital and share premium were credited only to the extent of the option's exercise price receivable.

The fair value of share option of the 4,067,796 shares granted to Chinese University during the year ended 30 June 2007 amounted to approximately HK\$785,296 which was credited to share option reserves.

(c) The fair values of share option granted were determined using the Black-Scholes valuation model. The significant inputs into the model were as follows:

24. 購股權 (續)

(b) (續)

於本年度終未行使之購股權之加權平均尚餘有效期約為3.97年(2006年:約4.18年)。

該等於2005年7月1日前授出及歸屬之購股權並未從收益表中支付。當承讓人選擇行使購股權時，記入股本及股份溢價面值貸方的金額不能超逾該等購股權之應收行使價。

於截至2007年6月30日止年度，授予中文大學之4,067,796股購股權之公平值為785,296港元，並已記入購股權儲備之貸方。

(c) 授出購股權的公平值以畢蘇期權定價模式來釐定。該模式的主要輸入數字為：

		Share options grant date		
		購股權授出日期		
		22/06/2007	19/06/2006	26/06/2006
		2007年6月22日	2006年6月19日	2006年6月26日
Share price at the grant date	於授出日的股價(港元)	0.295	0.105	0.115
Exercise price (HK\$)	行使價(港元)	0.295	0.105	0.116
Expected volatility based on historical volatility of share prices (%)	根據股價的歷史波幅推算的預期波幅(%)	76.88	98.41	98.41
Expected annual dividend yield, based on historical dividend (%)	根據歷史股息推算的預期年股息率(%)	0	0	0
Expected life of option (years)	購股權之預期加權平均期限(年)	5	5.8	5.5
Hong Kong Exchange Fund Notes rate for corresponding estimated expected life indicated at the date of grant (%)	於授出日相當於估計預期期限之香港外基金票據指示率(%)	4.665	4.81 – 4.92	4.62– 4.83

Expected volatility was determined by calculating the historical volatility of the Company's share price over the previous 1,267 days. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

預期波幅以計算過去1,267日本公司股份價格的歷史波幅來釐定。根據管理層的最佳估計，該模式所採用之預期期限經已作出調整以反映不能轉讓、行使限制及行為因素等影響。

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25. RETIREMENT SCHEME

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% or relevant payroll costs to the scheme, which contribution is matched by employees.

The total cost charged to consolidated income statement of HK\$87,797 (2006: HK\$73,853) represents contributions payable to the scheme by the Group during the year.

26. OPERATING LEASES COMMITMENTS

At the balance sheet dates, the Group had commitments for future minimum leases payment under non-cancellable operating leases which fall due as follows:

		2007	2006
		HK\$	HK\$
		港元	港元
Within one year	一年內	519,600	252,600
In the second to fifth years inclusive	第二年開始至第五年止 (包括首尾兩天)	437,600	—
		957,200	252,600

Operating lease payments represent rentals payable by the Group for its office premises, retail shop and director's quarter. Leases are negotiated and rentals are fixed for a term ranging from two to three years.

27. CAPITAL COMMITMENTS

As at 30 June 2007, the Group had no significant capital commitment. (2006: nil)

25. 退休計劃

本集團為合資格員工提供一強制性公積金計劃。該計劃的資產與本集團的資產分開持有，其資金由受託人全權控制。本集團向該計劃的供款為相關薪金成本的5%，同時僱員須以相等金額供款。

年內本集團已支付87,797港元(2006年:73,853港元)作為對該計劃的供款，並已在綜合收益表中全數扣除。

26. 經營租約承擔

於各結算日，本集團根據不可撤銷的經營租約須於下列到期日支付之未來最低租金款項如下：

經營租約款項乃指本集團就其辦公室物業、零售商店及董事房屋應付之租金。租約及所議定之租金按兩至三年期磋商。

27. 資本承擔

於2007年6月30日本集團並無重大資本承擔。(2006年:無)

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28. RELATED PARTY TRANSACTIONS AND BALANCES

- (a) The Group had no significant transactions with related parties during the year or significant balances with them at the end of the year.
- (b) The compensation to the Group's key management personnel is disclosed in note 11 to the financial statements.
- (c) In prior year sales of diagnostic testing services amounted to HK\$12,185 were made to Spring Biotech Limited, a shareholder of the Company. The Group had no trade receivables due from Spring Biotech Limited as at 30 June 2006. Mr. Cho Kam Luk, an executive Director (resigned on 2 August 2006), was interested in the transactions as a beneficial shareholder of Spring Biotech Limited. The maximum outstanding balance for the year ended 30 June 2006 was HK\$2,765.
- (d) Pursuant to sub-lease agreements dated 29 August 2003 and 26 July 2004, the Group sub-leased part of its office premises to Wellchamp Capital Limited ("Wellchamp") for the period from 26 May 2003 to 12 February 2005 at a monthly rental of HK\$25,000. A renewal agreement was entered into by the Company with Wellchamp on 25 April 2005 to extend sub-leasing period to 12 February 2007 at a monthly rental of HK\$29,500 (other terms remained the same). A net amount of HK\$365,685 was paid by Wellchamp to the Group as rental and utility charges during the year ended 30 June 2006. Mr. Cheng Yan Tak, Angus Ronald, an executive Director (resigned on 22 August 2006), was interested in the transactions as a shareholder of Wellchamp. The Group had other payable of HK\$226 due to Wellchamp as at 30 June 2006 which was unsecured, interest free and repayable on demand. The above sub-lease agreement was early terminated in February 2007.

28. 關連人士交易及結餘

- (a) 年內本集團概無關連人士重大交易，於年末亦無關連人士重大結餘。
- (b) 本集團之主要管理人員薪酬披露於財務報表附註11。
- (c) 去年，向本公司的股東Spring Biotech Limited銷售診斷測試服務為12,185港元。於2006年6月30日，本集團並無應收Spring Biotech Limited的貿易賬款。執行董事曹金陸先生（於2006年8月2日退任）為Spring Biotech Limited的實益股東，於該交易持有權益。截至2006年6月30日止年度的未償還最高結餘為2,765港元。
- (d) 根據於2003年8月29日及2004年7月26日訂立的分租協議，本集團將其辦公室的一部份分租予Wellchamp Capital Limited（「Wellchamp」），期限由2003年5月26日起至2005年2月12日止，月租25,000港元。本公司與Wellchamp於2005年4月25日訂立重續協議，以將分租期限延長至2007年2月12日（其他條款維持不變），月租29,500港元。截至2006年6月30日止年度，Wellchamp向本集團支付的租金及水電費淨額為365,685港元。鄭恩德先生（於2006年8月22日退任）為Wellchamp的執行董事兼股東，於該等交易持有權益。本集團於2006年6月30日有應付Wellchamp的其他款項為226港元，此應付款項為無抵押，無須繳付利息，及有需要時歸還。上述分租協議已於2007年2月提早結束。

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

29. EVENTS AFTER BALANCE SHEET DATE

On 12 June 2007, the Company entered into two conditional placing agreements with an independent placing agent for the placing of up to 304,388,000 new shares to the independent subscribers at the placing price of HK\$0.17 per placing share. The two placements were completed on 11 July 2007 and 6 September 2007 respectively.

Details of these two placements are disclosed in announcements of the Company dated 12 June 2007, 18 July 2007 and 7 September 2007.

30. BALANCE SHEET OF THE COMPANY**29. 結算日後事宜**

於2007年6月12日，本公司與一名獨立配售代理簽訂兩項有條件配售協議，向獨立認購人以每股0.17港元之配售價配售304,388,000股新股。此兩項配售已分別於2007年7月11日及2007年9月6日完成。

有關此兩項配售之詳情已於本公司於2007年6月12日、2007年7月18日及2007年9月7日之公佈內披露。

30. 本公司之資產負債表

		2007	2006
		HK\$	HK\$
		港元	港元
Non-current assets	非流動資產		
Investments in subsidiaries	附屬公司權益	795,107	795,107
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	27,647,749	48,747
Financial assets at fair value through profit or loss	經損益賬按公平值入賬之金融資產	7,268	7,398,530
Other receivables and prepayments	其他應收款項及預付款項	50,000	387,988
Cash and bank balances	現金及銀行結餘	493,088	17,670,533
		28,198,105	25,505,798
Current liabilities	流動負債		
Amounts due to subsidiaries	應收附屬公司款項	1,527,018	-
Other payables and accrued charges	其他應付及應計費用	363,708	241,045
		1,890,726	241,045
Net current assets	流動資產淨值	26,307,379	25,264,753
Net assets	資產淨值	27,102,486	26,059,860
Capital and reserves	資本及儲備		
Share capital	股本	3,825,920	3,735,920
Reserves (note)	儲備 (附註)	23,276,566	22,323,940
Total equity	權益總額	27,102,486	26,059,860

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

30. BALANCE SHEET OF THE COMPANY (continued)

Note:

Reserve

		Share premium		Share options reserve	Accumulated losses	Total
		股份溢價		購股權儲備	累計虧損	合計
		HK\$		HK\$	HK\$	HK\$
		港元		港元	港元	港元
Balance at 1 July 2005	於2005年7月1日結餘	46,628,204		-	(1,893,729)	44,734,475
Shares repurchase	股份購回	(1,383,566)		-	-	(1,383,566)
Recognition of share-based payments	確認以股份為基礎之付款	-		1,919,326	-	1,919,326
Loss for the year	本年度虧損	-		-	(22,946,295)	(22,946,295)
Balance at 30 June 2006 and 1 July 2006	於2006年6月30日及2006年7月1日結餘	45,244,638		1,919,326	(24,840,024)	22,323,940
Issue of shares upon exercise of share options	行使購股權所發行之股份	919,900		-	-	919,900
Transfer of reserve upon exercise of share options	行使購股權之儲備轉撥	788,450		(788,450)	-	-
Transfer of reserve upon lapse of share options	失效購股權之儲備轉撥	-		(215,786)	215,786	-
Recognition of share-based payments	確認以股份為基礎之付款	-		785,296	-	785,296
Loss for the year	本年度虧損	-		-	(752,570)	(752,570)
Balance at 30 June 2007	於2007年6月30日結餘	<u>46,952,988</u>		<u>1,700,386</u>	<u>(25,376,808)</u>	<u>23,276,566</u>

30. 本公司之資產負債表 (續)

附註:

儲備

NOTES TO THE FINANCIAL STATEMENTS**財務報表附註**

For the year ended 30 June 2007 截至2007年6月30日止年度

31. PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 30 June 2007 are as follows:

Company 公司	Place of incorporation and operation and kind of legal entity 註冊成立及營業 地點及法律實體類別	Issued and fully paid share capital 已發行及 繳足股本	Attributable equity interest		Principal activities 主要業務
			Direct 直接	Indirect 間接	
China Universal Limited 華宙有限公司	Hong Kong, Limited liability company 香港·有限責任公司	Ordinary shares HK\$1 普通股 1港元	-	100%	Investment in listed securities 上市證券之投資
Core Healthcare Products Limited 確思醫藥產品有限公司	Hong Kong, Limited liability company 香港·有限責任公司	Ordinary shares HK\$2 普通股 2港元	-	100%	Sales of health food and pharmaceutical products 保健產品及藥品之 銷售
Core Medical Technology Limited (formerly known as Plasmagene Limited) 確思醫療科技有限公司 (前稱普施基因有限公司)	Hong Kong, Limited liability company 香港·有限責任公司	Ordinary shares HK\$12,000,000 普通股 12,000,000港元	-	100%	Diagnostic testing services and products, and related research and development 診斷測試服務及 產品·以及相關 研究與開發
Hong Kong Hepatitis Diagnostic Centre Limited 香港肝炎診斷中心 有限公司	Hong Kong, Limited liability company 香港·有限責任公司	Ordinary shares HK\$100 普通股 100港元	-	100%	Diagnostic testing services relating to certain liver diseases 提供若干肝病之 診斷測試服務

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

32. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of Directors on 13 September 2007.

31. 主要附屬公司

於2007年6月30日之本公司主要附屬公司詳情如下:

上表列出董事認為對本集團業績或資產有重大影響之本集團附屬公司。董事認為，列出其他附屬公司之詳細資料將導致資料過於冗長。

各附屬公司概無於年末有任何已發行債務證券。

32. 核准財務報表

本財務報表已於2007年9月13日獲董事會核准及授權刊發。

FINANCIAL SUMMARY

財務概要

For the year ended 31st December 2007 截至二零零七年十二月三十一日止年度

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out below:

本集團於過去五個財政年度的業績及資產與負債概要載列如下：

		Year ended 30 June 截至6月30日止年度				
		2007	2006	2005	2004	2003
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
RESULTS	業績					
Turnover	營業額	1,297,939	1,368,404	1,133,297	1,741,605	1,339,250
Profit/(Loss) for the year attributable to equity holders of the Company	本公司股東應佔及年度溢利／(虧損)	8,396,386	(9,570,460)	(5,590,673)	(4,234,304)	(4,721,473)
ASSETS AND LIABILITIES	資產與負債					
Total assets	總資產	40,793,543	28,516,731	37,539,938	44,973,281	31,537,078
Total liabilities	總負債	2,738,165	652,935	546,602	16,275,868	27,440,569
Net assets	資產淨值	38,055,378	27,863,796	36,993,336	28,697,413	4,096,509

Notes:

附註：

- The results and assets and liabilities for the year ended 30 June 2003 presented above have been extracted from the Company's prospectus dated 8 June 2004 which were prepared on a combined basis as if the Group structure had been in existence throughout the year concerned to reflect the full year results and assets and liabilities of the Group for the year prior to the reorganisation of the Group on 20 September 2002.
- The results and assets and liabilities for the years ended 30 June 2004, 2005, 2006 and 2007 presented above have been extracted from the consolidated income statement and consolidated balance sheet as set out in this annual report.

- 上文所呈列截至2003年6月30日止年度的業績及資產與負債乃摘錄自日期為2004年6月8日的本公司招股章程，該等資料乃按合併基準編製，猶如本集團架構於各有關年度內一直存在，以反映本集團於2002年9月20日進行重組前的年度的全年業績及資產與負債。
- 上文所呈列截至2004年、2005年、2006年及2007年6月30日止各年度的業績及資產與負債乃摘錄自己公佈經審核的財務報表。



Core Healthcare Investment Holdings Ltd
確思醫藥投資控股有限公司*