

FINANCIAL RESULTS**SUMMARY OF RESULTS**

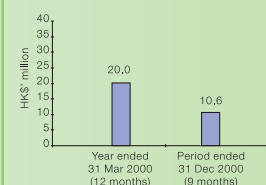
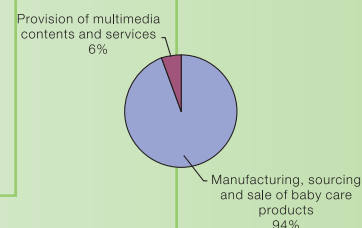
HK\$' 000	(9 months) 1.4.2000 - 31.12.2000	(12 months) 1.4.1999 - 31.3.2000	Change in %
Turnover	115,737	174,826	(34%)
Profit before tax	11,142	20,255	(45%)
Tax	(479)	(157)	205%
Profit attributable to shareholders	10,663	20,098	(47%)

CCT Multimedia changed its financial year end date from 31 March to 31 December with effect from 1 April 2000. The current accounting period covered nine months from 1 April 2000 to 31 December 2000.

Turnover amounted to \$115.7 million for the nine-month period ended 31 December 2000, compared to \$174.8 million for the full year ended 31 March 2000. The Group recorded a net profit of \$10.6 million for the current nine-month period and \$20.0 million for the previous full year. The baby care product business remained the major source of turnover for the Group, and the business performed well amid tough market conditions. The lower earnings were attributable to the substantial start-up cost of the Internet auction business, which had since been terminated.

ANALYSIS BY BUSINESS SEGMENT**Nine-month period from 1 April 2000 to 31 December 2000**

HK\$' 000	Turnover		Profit/(loss) from operating activities	
	Amount	Relative %	Amount	Relative %
Manufacturing, sourcing and sale of baby care products	109,254	94%	4,046	36%
Provision of multimedia contents and services	6,483	6%	(12,882)	(115%)
Investment income	-	-	20,000	179%
Total	115,737	100%	11,164	100%

Profit Attributable to Shareholders**Period ended 31 December 2000
Turnover by Business Segment**

Year ended 31 March 2000

HK\$' 000	Turnover		Profit from operating activities	
	Amount	Relative %	Amount	Relative %
Manufacturing, sourcing and sale of baby care products	174,826	100%	20,255	100%
Provision of multimedia contents and services	–	–	–	–
Investment income	–	–	–	–
Total	174,826	100%	20,255	100%

While the baby care product business was the largest contributor to the Group's turnover, the two newly acquired multimedia businesses, Natural Winner and Wellfit, contributed in aggregate 6% to the Group's turnover.

Manufacturing, sourcing and sale of baby care products

The Group has established a production facility in the PRC to manufacture baby care products to reduce the cost of production. Other than baby care products, the Group is able to supply a wide range of products including hygiene, medical and optical products.

Provision of multimedia contents and services

Natural Winner was acquired in September 2000, in an effort to expand into the information technology and multimedia business. Natural Winner is principally engaged in the provision of Internet content development, operation of Internet portals and Internet network consultancy services.

Wellfit is primarily engaged in the provision of media content development and production services, such as videos, concerts and variety shows, corporate functions, promotional events and contents. Wellfit has further expanded into the production, sale and distribution of television programmes catering for the increasing needs of the global Chinese-speaking communities.

In the face of an emerging TV and multimedia industry in Hong Kong and in the Greater China region, subsequent to the period end, the Group has acquired the necessary resources available in order to take an active role in these markets.



Investment income

The Group holds an approximately 10% beneficial interest in mingpao.com, the flagship portal of one of the best-known Chinese publishing groups. We believe this investment will bring in attractive returns in the near future.

ANALYSIS BY GEOGRAPHICAL REGION

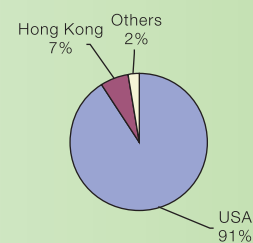
Nine-month period from 1 April 2000 to 31 December 2000

HK\$' 000	Turnover		Profit from operating activities	
	Amount	Relative %	Amount	Relative %
USA	105,131	91%	3,896	35%
Hong Kong	8,114	7%	7,176	64%
Others	2,492	2%	92	1%
Total	115,737	100%	11,164	100%

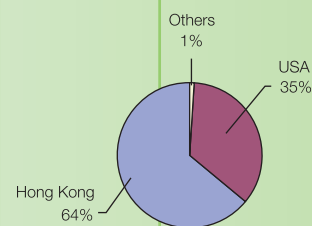
Year ended 31 March 2000

HK\$' 000	Turnover		Profit from operating activities	
	Amount	Relative %	Amount	Relative %
USA	169,616	97%	19,647	97%
Hong Kong	3,431	2%	405	2%
Others	1,779	1%	203	1%
Total	174,826	100%	20,255	100%

**Period ended
31 December 2000
Turnover by
Geographical Region**



**Period ended
31 December 2000
Profit from operating
activities by
Geographical Region**



FINANCIAL POSITION

SUMMARY OF CONSOLIDATED BALANCE SHEET

HK\$' 000	As at 31.12.2000	As at 31.3.2000	Change in %
Non-current assets	58,830	29,476	100%
Current assets	205,894	138,013	49%
Total assets	264,724	167,489	58%
Current liabilities	25,788	16,553	56%
Non-current liabilities	1,488	470	217%
Total liabilities	27,276	17,023	60%
Net assets	237,448	150,466	58%

Total assets

Non-current assets and current assets increased approximately \$29.3 million and \$67.8 million, representing 100% and 49%, respectively, as compared to the previous year.

The increase of non-current assets was mainly due to the addition of fixed assets through the acquisitions of Natural Winner and Wellfit during the period, whereas the increase of current assets was mainly brought along by the acquisition of the investment in mingpao.com.

Total liabilities

The 60% increase in liabilities was principally due to the addition of trade payable through the acquisition of subsidiaries.

Liquidity

The Group's financial position is healthy. Current ratio (current assets/current liabilities) similar to last year was approximately 8 times as at the end of 2000.



NET ASSET VALUE PER SHARE

HK\$' 000	As at 31.12.2000	As at 31.3.2000	Change in %
Net assets	237,448	150,466	58%
Number of shares in issue (in thousand)	1,548,916	214,516	622%
Net asset value per share (HK\$)	0.15	0.70	(79%)

Net asset value per share as at 31 December 2000 amounted to approximately HK\$0.15 (31 March 2000: HK\$0.70). The decrease was principally due to the issuing of approximately 1,334 million new shares during the period for the acquisitions of Natural Winner and Wellfit in September and November, respectively.

CAPITAL STRUCTURE AND GEARING RATIO

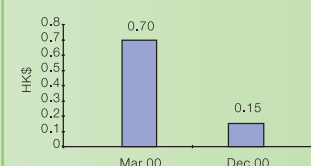
HK\$' 000	As at 31.12.2000		As at 31.3.2000	
	Amount	Relative %	Amount	Relative %
Long term debt	–	–	–	–
Equity	237,448	100%	150,446	100%
Total capital employed	237,448	100%	150,446	100%

At the balance sheet date, the Group did not have any bank debt or long term debt. With a zero gearing ratio, the Group does not depend on external financing as the baby care product business generates sufficient cash flow for its operation.

CASH AND TREASURY MANAGEMENT

The Group adopts a conservative approach to cash management and risk controls. The Group's treasury activities are centralised. Almost 100% of the Group's receipts and payments are in Hong Kong dollars and United States dollars. Cash is generally placed in short term deposits denominated in either Hong Kong or United States dollars.

The Group does not have any significant foreign currency or interest rate risk.

**Net Asset Value
Per Share**

OTHER INFORMATION

Acquisition and disposal of investment

During the period, the Group has acquired approximately 10% beneficial interest in mingpao.com. The Group is satisfied with the performance of the investment which will bring in attractive return in the future. There was no disposal of investment during the period.

Charges on group assets

At the balance sheet date, certain of the Group's assets with net book value of \$8.1 million and time deposits amounted to \$2.5 million were pledged to secure general banking facilities granted to the Group for its baby care product business.

Contigent liabilities

As at 31 December 2000, the Group did not have any significant contingent liabilities.

Employees and remuneration policy

The total number of employees in the Group as at 31 December 2000 was around 320.

Remuneration packages are normally reviewed annually. Apart from salary payments, other staff benefits include provident fund, medical insurance and performance related bonus. Share options may also be granted to eligible employees of the Group. As at balance sheet date, there were 70.0 million (Year ended 31 March 2000: Nil) share options outstanding.

