

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

**1. GENERAL**

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is an investment holding company. The activities of its subsidiaries and associate are set out in notes 37 and 38 respectively.

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

In preparing the financial statements, the directors have given careful consideration to the future liquidity of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) in light of its net current liabilities of approximately HK\$63,169,000 as at 31 December 2000. As explained in note 39(b), since the year end the Group has raised approximately HK\$37,000,000 additional funds through the placement of new shares in the Company. On the basis that the Group has secured credit facilities of HK\$82,000,000 to the extent of which remained utilized at the date of approval of these financial statements, the directors are satisfied that the Group will be able to meet in full its financial obligations as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention as modified for the revaluation of investment properties.

The financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies are as follows:

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Group made up to 31 December each year.

**1. 一般事宜**

本公司乃在百慕達註冊成立之受豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。

本公司為投資控股公司，其附屬公司及聯營公司之業務分別載於附註37及38。

**2. 編製財務報表之基準**

於編製財務報表時，鑑於本公司及其附屬公司（以下統稱「本集團」）於二零零零年十二月三十一日之流動負債淨額約63,169,000港元，董事已對本集團於未來之流動資金狀況作出審慎考慮。誠如附註39(b)所述，自結算日後，本集團透過配售本公司新股籌得約37,000,000港元額外資金。基於本集團已取得信貸額共82,000,000港元，而於此等財務報告獲批准之日該貸款尚未動用，董事信納本集團將可悉數支付於將可預見之未來到期之財務承擔。因此，本財務報告乃以持續經營基準編製。

**3. 主要會計政策**

本財務報告乃按歷史成本慣例編製，並就投資物業的重估價值作出修訂。

此等財務報告按香港普遍採納之會計準則而編製。所採納之主要會計政策如下：

**綜合基準**

綜合財務報告包括本集團每年截至十二月三十一日止之財務報告。

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Basis of consolidation (cont'd)**

The results of the subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the date of disposal, as appropriate.

All significant inter-company transactions and balances within the Group have been eliminated on consolidation.

**Goodwill**

Goodwill arising on acquisition of a subsidiary represents the excess of the purchase consideration over the Group's share of the fair value ascribed to the separable net assets of the subsidiary at the date of acquisition. Goodwill is written off directly to reserves in the year of acquisition. Negative goodwill, which represents the excess of the fair value ascribed to the Group's share of the separable net assets at the date of acquisition of a subsidiary over the purchase consideration is credited to reserves.

On disposal of a subsidiary, the attributable amount of goodwill previously written off against reserves at the date of acquisition is included in the determination of the profit or loss on disposal.

Any premium arising on the acquisition of interest in an associate, representing the excess of the purchase consideration over the Group's share of the fair value ascribed to the separable net assets of the associate at the date of acquisition, is capitalised as part of the Group's interests in associates and amortised on a straight line basis over its economic life, not exceeding twenty years.

**Revenue recognition**

Sales of goods are recognised when goods are delivered and title has passed.

Service revenue is recognised when services are rendered.

**3. 主要會計政策(續)****綜合基準(續)**

年內收購或出售之附屬公司業績已按收購或出售之生效日期包括在綜合收益表內。

集團內各公司間之所有重大交易及內部結餘均已於綜合賬項時對銷。

**商譽**

商譽指購買代價超出收購當日本集團於所購入附屬公司所應佔之可分割淨資產之公平價值之差額。商譽乃於收購年度直接從儲備內撇除。負商譽則指公平價值超出收購當日本集團於所購作附屬公司所應佔之可分割淨資產之公平價值之差額，有關之負商譽將計入至儲備內。

如出售附屬公司，則在計算出售之盈虧時，將所應佔而之前經已從儲備中撇除之商譽部份計算在內。

收購一間聯營公司權益所產生之任何溢價指購買代價超出收購當日本集團於所購入聯營公司所應佔之可分割淨資產之公平價值之差額，乃撥充本集團所佔聯營公司部份權益之資本，以直線法於其可使用年期(不超過二十年)內攤銷。

**收入確認**

貨物銷售收入乃按貨物付運及將其擁有權交付後確認。

服務收入於提供服務後確認。

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Revenue recognition (cont'd)**

Rental income is recognised on a straight line basis over the period of the leases.

Interest income is accrued on a time basis by reference to the principal outstanding and at the rate applicable.

**Investment properties**

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are stated at their open market value based on professional valuations at the balance sheet date. Any surplus or deficit arising on the revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance of this reserve is insufficient to cover a deficit, in which case the excess of the deficit over the balance of the investment property revaluation reserve is charged to the income statement. Where a deficit has previously been charged to the income statement and a revaluation surplus subsequently arises, this surplus is credited to the income statement to the extent of the deficit previously charged.

On subsequent disposal of an investment property, any revaluation surplus attributable to that property is included in the determination of the gain or loss on disposal.

No depreciation is provided on investment properties except where the unexpired term of the relevant lease is twenty years or less.

**3. 主要會計政策(續)****收入確認(續)**

租金收入以直線法按租約年期確認。

利息收入按時間基準累積計算，並參考未償還本金數目及適用之利率。

**投資物業**

投資物業乃就其投資潛力持有之已落成物業，而任何租金收入乃按公平原則商定。

投資物業於結算日按專業估值之公開市值入賬。任何因重估投資物業所產生之增值或減值分別計入投資物業重估儲備或自投資物業重估儲備中扣除，除非該儲備之結餘不足彌補減值則另計。在此情況下，減值超出投資物業重估儲備之結餘之數額於收益表中扣除。倘減值過往已自收益表扣除並於其後出現重估增值，是項增值會撥入收益表，惟款額僅以過往已扣除之減值為限。

倘其後出售投資物業，該物業應佔之任何重估盈餘將用於計算出售時之收益或虧損。

投資物業不作折舊準備，惟倘有關租約之未屆滿租約期為二十年或以下則作別論。

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Property, plant and equipment**

Property, plant and equipment are stated at cost less depreciation and amortisation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use. Expenditure incurred after the asset has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the asset, the expenditure is capitalised as an additional cost of the asset.

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Where the recoverable amount of an asset has declined below its carrying amount, the carrying amount is reduced to reflect the decline in value. In determining the recoverable amount of assets, expected future cash flows are not discounted to their present values.

Land and buildings in the courses of development for production, rental or administrative purposes or for purposes not yet determined, are carried at cost, less any impairment loss. Cost includes professional fees and borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

**3. 主要會計政策(續)****物業、廠房及設備**

物業、廠房及設備乃按成本值減折舊及攤銷入賬。資產之成本包括其買價及任何令資產投入現時運作及將資產運往擬作用途地點之直接應計費用。所有於該項資產投入運作後所引致之支出，如維修及保養費及徹底檢查費等，一般均會於支出該等費用期間計入收益表。倘若可清楚顯示該等支出預料可透過該項資產之使用而於日後帶來經濟收益，則該等支出將以該項資產額外成本方式列作資本。

資產出售或報廢時之損益乃參照資產之銷售收益與賬面值間之差額計算，並會於收益表內確認。

如資產之可收回數額下降至低於其賬面值，則賬面值須減少以反映減值。在確定資產之可收回數額時，預計的日後現金流量不會貼現至其現值。

正在發展中及用作生產、租賃、行政或未定用途之土地及樓宇乃按成本值減任何減值虧損後入賬。成本包括專業費用及根據本公司會計政策撥充資本之借貸成本。該等資產按照與其他物業資產計算折舊之基準相同，並在該等資產可開始作為擬定用途時計算折舊。

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Property, plant and equipment (cont'd)**

Depreciation and amortisation are provided to write off the cost of property, plant and equipment, after allowing for the estimated residual value, where appropriate, over their estimated useful lives, using the straight line method, at the following rates per annum:

Leasehold land	Over the remaining unexpired period of the relevant lease
Buildings	2 – 5%
Plant and machinery	10 – 15%
Furniture, fixtures and office equipment	15 – 20%
Motor vehicles	20%

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as assets owned by the Group or, where shorter, the terms of the leases.

**Intangible asset**

Intangible asset represents the cost incurred in the acquisition of patents which are capitalised and amortised on a straight-line over its economic life, not exceeding 20 years.

**Subsidiaries**

A subsidiary is an enterprise in which the Company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or where the Company controls the composition of its board of directors or equivalent governing body.

Investments in subsidiaries are included in the Company's balance sheet at cost less any impairment losses recognised.

**Associates**

An associate is an enterprise over which the Group is in a position to exercise significant influence, including participation in financial and operating policy decisions.

**3. 主要會計政策(續)****物業、廠房及設備(續)**

物業、廠房及設備之折舊及攤銷(在適用情況下,已計入估計剩餘價值)則按估計可使用年期以直線法按下列年率撇除其成本:

有年期土地	按有關契約尚餘年期
樓宇	2 – 5%
廠房及機器	10 – 15%
傢俬、裝置及辦公室設備	15 – 20%
汽車	20%

以融資租賃方式持有之資產乃根據本集團自置資產之同一基準,按估計可使用年期或租約年期(以較短者為準)計算折舊。

**無形資產**

無形資產指收購專利權時所涉及之成本,該等資產按其估計可用年期(不超過20年)以直線法攤銷。

**附屬公司**

附屬公司為本公司直接或間接持有過半數已發行股本或控制過半數投票權或本公司控制其董事會或等同的管理機構之組成之企業。

於附屬公司之投資按成本減任何已確認減損列於本公司之資產負債表。

**聯營公司**

聯營公司乃一間本集團能對其作重大影響,包括參與財務及業務上決策之企業。

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Associates (cont'd)**

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, the Group's interests in associates are stated at cost plus the Group's share of post-acquisition reserves less the accumulated amortisation of the premium paid on acquisition.

**Inventories**

Inventories, which represent principally trading goods held for re-sale, are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted-average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

**Leases**

Leases are classified as finance leases whenever the terms of the leases transfer substantially all the risks and rewards of ownership to the Group. Assets held under finance leases are capitalised at their fair value at the date of acquisition. The corresponding principal portions of the commitments are shown as obligations of the Group. The finance costs, which represent the difference between the total commitments and the original principal at the inception of the respective leases, are charged to the income statement using the actuarial method over the period of the respective leases.

All other leases are classified as operating leases and the rentals payable under operating leases are charged to the income statement on a straight line basis over the lease terms.

**3. 主要會計政策(續)****聯營公司(續)**

綜合收益表包括本集團於本年度佔其聯營公司收購後業績於綜合資產負債表內，本集團於聯營公司之權益乃按成本值，加上本集團應佔收購後儲備減於收購時所支付溢價之累計攤銷後列賬。

**存貨**

存貨主要指持作轉售用途之貿易貨品，乃按成本及可變現淨值兩者中之較低值入賬。成本包括以加權平均法計算之所有購貨成本及令存貨處於現時地點及狀況之其他成本。可變現淨值乃參照日常業務過程中之估計售價減去作出銷售所需之估計成本。

**租賃合約**

凡租賃條款規定，將擁有租賃資產之大部份風險及報酬轉移至本集團，則歸類為融資租賃。根據融資租賃而持有之資產，概按其於購入日期之公平價值撥作資本。租賃承擔中未償本金部份已列作本集團之承擔。財務費用(即承擔總額與融資租賃開始時本來之未償本金額兩者之差別)之部份則於租賃期內按精算法從收益表中扣除。

其他租賃合約則歸類為經營租賃，據此而須支付之租金則於租賃期內以直線法從收益表中扣除。

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)****Taxation**

The charge for taxation is based on the results for the year after adjusting for items which are non-assessable or disallowed. Certain items of income and expense are recognised for tax purposes in a different accounting period from that in which they are recognised in the financial statements. The tax effect of the resulting timing differences, computed under the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

**Foreign currencies**

Transactions in currencies other than Hong Kong dollars are translated into Hong Kong dollars at the rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are translated into Hong Kong dollars at the rates ruling on the balance sheet date. Gains and losses arising on exchange are dealt with in the income statement.

On consolidation, the financial statements denominated in currencies other than Hong Kong dollars are translated into Hong Kong dollars at the rates ruling on the balance sheet date. All exchange differences arising on translation are dealt with in the translation reserve.

**Retirement benefits cost**

The amount of contributions payable to the Group's defined contribution retirement benefits scheme is charged to the income statement.

**3. 主要會計政策(續)****稅項**

稅項按年度之業績並就毋須課稅或不獲寬減之項目作出調整後計算。部份收入及支出項目因在稅務及財務報告上採用不同會計期間而引致時間差距，如時差因素在稅務上之影響有可能在可見將來確定為稅項負債或資產，則用負債法計算並以遞延稅項形式列入財務報告。

**外幣換算**

港元以外貨幣之交易乃按交易日之匯率換算為港元。以港元以外貨幣計算之貨幣資產及負債均按結算日之匯率換算為港元。因滙兌而產生之盈虧撥入收益表處理。

於綜合賬目時，以港元以外貨幣為單位之財務報告乃按結算日之匯率換算其數額為港元。兌換所產生之滙兌差額全部撥入滙兌儲備處理。

**退休福利費用**

向本集團之定額供款退休福利計劃所作出之供款自收益表扣除。



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**4. TURNOVER AND CONTRIBUTION TO LOSS FROM OPERATIONS**

Of the turnover and gross profit of the Group for the year, 76% of the turnover and 84% of gross profit were attributable to operations in the People's Republic of China ("PRC") and the remaining balances were attributable to the operations in Hong Kong. Of the loss for the year, approximately HK\$14,033,000 was attributable to the Group's PRC operations with the remaining balance being loss incurred in Hong Kong. More than 90% of the Group's turnover and loss from operations except provisions for doubtful debts and deficit on revaluation of investment properties were attributable to general trading.

**4. 營業額及經營虧損**

本集團本年度營業額及毛利中，76%之營業額及84%之毛利乃源自在中華人民共和國(「中國」)所經營業務，而餘額則源自於香港之業務。在本年度虧損中，約14,033,000港元乃源自本集團之中國業務，其餘結存則為在香港產生之虧損。本集團本年度營業額及經營虧損(呆壞賬撥備及重估物業虧蝕除外)其中90%以上乃源自一般貿易。

**5. OTHER REVENUE****5. 其他收益**

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Interest income 利息收入	254	235
Management fee income 管理費收入	1,380	1,600
Rental income 租金收入	627	800
Service income from staff secondment 員工暫調所得服務收入	-	4,504
Sundry 雜項	989	133
	<b>3,250</b>	<b>7,272</b>

**6. PROVISIONS FOR DOUBTFUL DEBTS****6. 呆壞賬準備**

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Provisions for doubtful debts are analysed as follows: 呆壞賬撥備分析如下：		
Provision for amounts due from former subsidiaries 應收前附屬公司款項撥備	21,194	-
Provision for other debtors 其他應收債項撥備	5,355	-
Provision for trade debtors 應收貿易賬款撥備	6	23,299
	<b>26,555</b>	<b>23,299</b>



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**7. DEFICIT ON REVALUATION OF INVESTMENT PROPERTIES**

In the financial statements for the year ended 31 December 1999, a leasehold property of the Group with carrying value of HK\$25,900,000 as at 31 December 1999 was included in the Group's property, plant and equipment. On 22 November 1999, the Group entered into a lease agreement with an independent third party to lease the property for rental purposes for a term of three years. The property was reclassified to investment properties and stated in the balance sheet as at 31 December 2000 at open market value based on an independent professional valuation as required by the Statement of Standard Accounting Practice No. 13 "Accounting for investment properties" issued by the Hong Kong Society of Accountants.

**7. 投資物業重估虧絀**

截至一九九九年十二月三十一日止年度財務報告內，於一九九九年十二月三十一日本集團一項賬面值達25,900,000港元之租賃物業列入本集團之物業、廠房及設備。於一九九九年十一月二十二日，本集團與一名獨立第三方訂立租賃協議，出租上述物業以獲取租金，為期三年。該物業已重列為投資物業，並於二零零零年十二月三十一日之資產負債表內，按香港會計師公會所頒佈會計實務準則第13號「投資物業之會計」規定之獨立專業估值所得出公開市值列賬。

**8. LOSS FROM OPERATIONS****8. 經營虧損**

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Loss from operations has been arrived at after charging: 經營虧損經扣除：		
Amortisation of intangible asset 攤銷無形資產	462	-
Auditors' remuneration 核數師酬金		
- current year 現年度	713	674
- underprovision in previous year 上年度準備不足	42	49
Depreciation and amortisation 折舊及攤銷		
- owned assets 自置資產	3,294	3,789
- assets held under finance leases 根據融資租約持有資產	281	-
Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損	6,488	3,524
Operating lease rentals in respect of rented premises 租賃房屋營運租賃合約租金	1,911	617
Staff cost including directors' remuneration 員工成本(包括董事酬金)	9,573	10,664
	<u>          </u>	<u>          </u>

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

**9. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES**

**9. 董事酬金及薪酬最高僱員**

**Directors' remuneration**

**董事酬金**

The directors' remuneration are analysed as follows:

董事酬金分析如下：

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Fees paid to: 袍金：		
Independent non-executive directors 獨立非執行董事	240	280
Other directors 其他董事	—	—
	240	280
Other emoluments paid to executive directors: 支付執行董事之其他酬金：		
Salaries and other benefits 薪金及其他福利	4,466	3,055
Accommodation benefits 住宅福利	479	451
Retirement benefits scheme contribution 退休福利計劃供款	—	58
	4,945	3,564
Total directors' remuneration 董事酬金總額	5,185	3,844

The remuneration of the directors were within the following bands:

酬金介乎以下款額之董事：

	2000 二零零零年 Number of directors 董事人數	1999 一九九九年 Number of directors 董事人數
Nil to HK\$1,000,000 無 — 1,000,000港元	5	11
HK\$1,000,001 to HK\$1,500,000 1,000,001港元 — 1,500,000港元	2	—
	7	11

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

**9. DIRECTORS' REMUNERATION AND HIGHEST PAID EMPLOYEES (cont'd)****Highest paid employees**

The five highest paid employees of the Group included four directors (1999: five directors), details of whose emoluments are set out above. The emoluments of the remaining highest paid employee for the year ended 31 December 2000, which represented his salaries and other benefits, amounted to HK\$1,200,000.

**10. FINANCE COSTS**

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Interest on bank and other borrowings: 銀行及其他借貸之利息：		
– wholly repayable within five years 須於五年內悉數償還	4,889	6,467
– not wholly repayable within five years 毋須於五年內悉數償還	993	2,042
Interest on other loan 其他貸款之利息	52	–
Finance charges on finance leases 融資租賃之融資費用	142	51
	<b>6,076</b>	<b>8,560</b>

**11. TAXATION**

No provision for taxation has been made in the financial statements as the Group incurred a loss for the year.

No provision for deferred taxation has been made in the financial statements as the amounts involved are insignificant.

**9. 董事酬金及薪酬最高僱員(續)****薪酬最高僱員**

本集團薪酬最高之五位僱員中包括四位(一九九九年：五位)董事；上文載有彼等酬金之詳情。截至二零零零年十二月三十一日止年度其餘薪酬最高僱員之酬金為其薪金及其他福利合共1,200,000港元。

**10. 財務開支****11. 稅項**

由於本集團於本年度產生虧損，因此並無於財務報告中作出稅項準備。

由於涉及之金額並不重大，因此並無於財務報告中作出遞延稅項準備。

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 12. LOSS FOR THE YEAR

## 12. 本年度虧損

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Attributable to the Company 本公司應佔	(92,253)	(59,529)
Attributable to subsidiaries 附屬公司應佔	(66,554)	(51,149)
Attributable to associates 聯營公司應佔	(18,901)	(2,257)
Provision for impairment in value of subsidiaries eliminated on consolidation 附屬公司價值之撇減準備並於綜合賬目時對銷	85,087	53,406
	<u>(92,621)</u>	<u>(59,529)</u>

## 13. LOSS PER SHARE

## 13. 每股虧損

The calculation of loss per share is based on the loss for the year of HK\$92,621,000 (1999: HK\$59,529,000) and on the weighted average number of 870,801,629 (1999: 260,438,356) shares in issue during the year.

The computation of diluted loss per share does not assume the conversion of the Company's outstanding share options since their exercise would result in a decrease in loss per share.

每股虧損乃按本年度虧損約92,621,000港元(一九九九年: 59,529,000港元)及年內已發行股份加權平均數870,801,629股(一九九九年: 260,438,356股)計算。

計算每股攤薄虧損並無假設本公司之尚未行使購股權已獲兌換，因行使購股權將會導致每股虧損減少。

## Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 14. PROPERTY, PLANT AND EQUIPMENT

## 14. 物業、廠房及設備

	Leasehold land and buildings 有年期土地 及房地產 HK\$'000 千港元	Properties under development 發展中 物業 HK\$'000 千港元	Plant and machinery 廠房設備 及機器 HK\$'000 千港元	Furniture, fixtures and office equipment 傢俬、裝置及 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
<b>THE GROUP 本集團</b>						
<b>COST 成本</b>						
At 1 January 2000 二零零零年一月一日	66,012	–	900	7,989	1,296	76,197
Exchange realignment 外匯調整	332	–	6	–	–	338
On acquisition of subsidiaries 於收購附屬公司	11,397	13,439	20,122	21	221	45,200
Additions 添置	1,455	75	3,028	1,759	309	6,626
Disposals 出售	(14,903)	–	(54)	(5,300)	–	(20,257)
Reclassified to investment properties 重列投資物業	(27,800)	–	–	–	–	(27,800)
At 31 December 2000 二零零零年十二月三十一日	36,493	13,514	24,002	4,469	1,826	80,304
<b>DEPRECIATION AND AMORTISATION</b>						
<b>折舊及攤銷</b>						
At 1 January 2000 二零零零年一月一日	3,866	–	–	4,886	–	8,752
Provided for the year 本年度撥備	839	–	1,180	1,193	363	3,575
Eliminated on disposals 出售時撇除	(1,019)	–	(8)	(4,408)	–	(5,435)
Reclassified to investment properties 重列投資物業	(1,900)	–	–	–	–	(1,900)
At 31 December 2000 二零零零年十二月三十一日	1,786	–	1,172	1,671	363	4,992
<b>NET BOOK VALUES 賬面淨值</b>						
At 31 December 2000 二零零零年十二月三十一日	34,707	13,514	22,830	2,798	1,463	75,312
At 31 December 1999 一九九九年十二月三十一日	62,146	–	900	3,103	1,296	67,445

# Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT (cont'd)

### 14. 物業、廠房及設備(續)

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
The net book value of the Group's land and buildings comprise: 本集團土地及房地產之賬面淨值包括：		
Properties situated in Hong Kong held under long leases 以長期契約持有之香港物業	–	37,147
Properties situated in Hong Kong held under medium term leases 以中期契約持有之香港物業	1,277	2,286
Properties situated outside Hong Kong held under medium term leases 以中期契約持有之香港以外物業	33,430	22,713
	<u>34,707</u>	<u>62,146</u>
Net book value of property, plant and equipment held under finance leases 以融資租賃持有之物業、廠房及設備賬面淨值	<u>1,015</u>	<u>1,296</u>

### 15. INVESTMENT PROPERTIES

### 15. 投資物業

	THE GROUP 本集團	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
VALUATION 估值		
At the beginning of the year 年初	3,200	3,500
Reclassified from property, plant and equipment (note 7) 物業、廠房及設備之重列(附註7)	25,900	–
Deficit on revaluation 重估減值	(15,300)	(300)
	<u>13,800</u>	<u>3,200</u>
At the end of the year 年終		

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

**15. INVESTMENT PROPERTIES (cont'd)**

On 25 April 2001, the Group disposed of one of the investment properties at a consideration of HK\$10,600,000. In the opinion of the directors, the consideration was approximately the open market value as at the balance sheet date. The difference between the sales consideration and net book value at the balance sheet date amounting to HK\$15,300,000 has been charged to the income statement.

Other remaining investment properties of the Group were revalued as at 31 December 2000 by Dudley Surveyors Limited, an independent firm of professional valuers, on an open market value basis. The valuation has been adopted by the directors and reflected in the financial statements. There was no revaluation surplus or deficit for the remaining investment properties of the Group as at 31 December 2000.

The investment properties are situated in Hong Kong and are held under long leases.

All of the investment properties held by the Group are rent out under operating leases.

**15. 投資物業(續)**

於二零零一年四月二十五日，本集團以10,600,000港元之代價出售其中一項投資物業。董事認為該代價於結算日與公開市場價值相約。出售代價與結算日之賬面值之差額15,300,000港元已於收益表中扣除。

本集團其餘之投資物業於二零零零年十二月三十一日由獨立專業估值公司，Dudley Surveyors Limited以公開市場基準重估。該項估值已獲董事採納並反映於財務報告中。於二零零零年十二月三十一日，本集團其餘之投資物業並無重估盈餘或虧絀。

投資物業乃位於香港，並按長期租約持有。

本集團持有之投資物業以經營租賃全部出租。



# Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

### 16. INTANGIBLE ASSET

### 16. 無形資產

	Patents 專利權 HK\$'000 千港元
<b>THE GROUP 本集團</b>	
<b>COST 成本</b>	
At 1 January 2000 二零零零年一月一日	–
On acquisition of subsidiaries 收購附屬公司	11,550
	<hr/>
At 31 December 2000 二零零零年十二月三十一日	11,550
	<hr/>
<b>AMORTISATION 攤銷</b>	
At 1 January 2000 二零零零年一月一日	–
Provided for the year 本年度撥備	462
	<hr/>
At 31 December 2000 二零零零年十二月三十一日	462
	<hr/>
<b>NET BOOK VALUES 賬面淨值</b>	
At 31 December 2000 二零零零年十二月三十一日	11,088
	<hr/> <hr/>
At 31 December 1999 一九九九年十二月三十一日	–
	<hr/> <hr/>

### 17. INTERESTS IN SUBSIDIARIES

### 17. 附屬公司之權益

	THE COMPANY 本公司	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Unlisted shares 非上市股份	48,726	48,726
Amounts due from subsidiaries 附屬公司應付款項	201,252	109,921
Impairment loss 減損準備	(189,386)	(104,299)
	<hr/>	<hr/>
	60,592	54,348
	<hr/> <hr/>	<hr/> <hr/>

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

**17. INTERESTS IN SUBSIDIARIES (cont'd)**

The carrying value of the unlisted shares is based on the underlying net tangible assets of the subsidiaries attributable to the Group as at the date on which the Company became the ultimate holding company of the Group under the group reorganisation in 1996.

Particulars of the Company's subsidiaries as at 31 December 2000 are set out in note 37.

**17. 附屬公司之權益(續)**

非上市股份之賬面值乃本公司根據一九九六年進行之集團重組成為本集團之最終控股公司之日本集團應佔有關附屬公司之相關有形資產淨值計算。

本公司附屬公司於二零零零年十二月三十一日之詳情載於財務報告附註37。

**18. INTEREST IN AN ASSOCIATE****18. 聯營公司之權益**

Costs incurred in acquisition of interest in an associate

購入聯營公司權益產生之費用

Share of post-acquisition results of associates 應佔收購後聯營公司業績

Share of post-acquisition exchange reserve 應佔收購後外匯儲備

Amortisation of premium on acquisition 收購溢價之攤銷

Amount due from an associate 一間聯營公司應付款項

Pursuant to a resolution passed in an extraordinary general meeting held on 24 July 2001 by the shareholders of LT3000 Online Limited ("LT3000"), the shareholders of LT3000 agreed to capitalise certain amounts due from LT3000 in proportion to their existing shareholding in LT3000. Accordingly, out of the amount of HK\$13,677,000 due from LT3000 as at 31 December 2000, an amount of HK\$11,004,000 was capitalised as investment cost on 24 July 2001.

根據LT3000 Online Limited (「LT3000」)股東於二零零一年七月二十四日召開之股東特別大會上通過之決議案，LT3000之股東同意按彼等於LT3000所持之現有股份比例將LT3000之若干應付之款項資本化。因此，於二零零零年十二月三十一日LT3000應付款項13,677,000港元中，有11,004,000港元於二零零一年七月二十四日予資本化作為投資成本。

**THE GROUP****本集團**

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
	<b>21,672</b>	17,237
	<b>(6,254)</b>	(1,985)
	<b>(6)</b>	-
	<b>(5,800)</b>	(272)
	<b>9,612</b>	14,980
	<b>13,677</b>	-
	<b>23,289</b>	14,980

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截至二零零零年十二月三十一日止年度

**18. INTEREST IN AN ASSOCIATE (cont'd)**

Pursuant to a resolution passed in an extraordinary general meeting held on 30 July 2001 by the shareholders of LT3000, 943,138 new shares in LT3000 issued to an existing shareholder of LT3000 for cash at US\$0.408 per share, resulting in a receipt of HK\$3,000,000 by LT3000 from the issue of new shares. The consideration is with reference to a total valuation of approximately HK\$93,000,000 for LT3000 which equals the basis to determine the consideration of the additional 29% interest acquired by the Group in April 2000. The Group's interests in LT3000 was diluted to 47.47% as a result of the issue of the new shares.

Particulars of the Group's associate as at 31 December 2000 are set out in note 38.

**18. 聯營公司之權益 (續)**

根據LT3000股東於二零零一年七月三十日召開之股東特別大會上通過之決議案，943,138股LT3000新股以每股0.408美元方式發行予LT3000一名現時之股東以獲取現金，以致LT3000發行新股有3,000,000港元之收入。該代價乃參考LT3000之估值總額約93,000,000港元計算，相等於本集團於二零零零年四月增購29%權益所釐定代價之基準。本集團於LT3000之權益因發行新股而攤薄至47.47%。

本集團聯營公司於二零零零年十二月三十一日之詳情載於財務報告附註38。

**19. INVENTORIES****19. 存貨**

	THE GROUP	
	本集團	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Raw materials and consumables 原料及損耗品	952	—
Finished goods 製成品	891	183
	<b>1,843</b>	<b>183</b>
At cost 成本值	1,514	183
At net realisable value 可變現淨值	329	—
	<b>1,843</b>	<b>183</b>

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 20. DEBTORS AND PREPAYMENTS

## 20. 應收賬項及預繳款項

	THE GROUP	
	本集團	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
The aged analysis of trade debtors are as follows: 應收貿易賬項之賬齡分析如下：		
Within 30 days 30日內	62	5,471
31 – 60 days 31日至60日	–	143
61 – 90 days 61日至90日	–	–
More than 90 days 90日以上	2,346	561
	2,408	6,175
Other debtors and prepayments 其他應收賬項及預繳款項	3,294	3,658
Amounts due from former subsidiaries 應收前附屬公司數額	–	34,968
	5,702	44,801

The Group allows credit period of 90 days to its trade customers.

本集團為其貿易客戶提供90日信貸期。

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 21. CREDITORS AND ACCRUED CHARGES

## 21. 應付賬項及應計費用

	THE GROUP	
	本集團	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
The aged analysis of trade creditors are as follows: 應付貿易款項之賬齡分析如下：		
Within 30 days 30日內	13	—
31 – 60 days 31日至60日	4	—
61 – 90 days 61日至90日	10	—
Over 90 days 90日以上	327	—
	354	—
Other creditors and accrued charges 其他應付款項及應計費用	44,937	4,717
Amounts due to former subsidiaries 應付前附屬公司數額	—	14,801
	<b>45,291</b>	<b>19,518</b>

## 22. OTHER LOAN

## 22. 其他貸款

## THE GROUP

The amount is unsecured, carries interest at prevailing market rate and has been fully repaid after the year end.

## 本集團

該款項乃無抵押，按現行市場利率計息，並已於結算日後償付。

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 23. SECURED BANK BORROWINGS

## 23. 有抵押銀行借貸

	THE GROUP	
	本集團	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Mortgage loans 按揭貸款	20,168	27,396
Trust receipt loans 信託收據貸款	—	5,060
Bank loans 銀行貸款	25,794	16,224
Bank overdrafts 銀行透支	—	6,045
	<b>45,962</b>	<b>54,725</b>
The terms of repayment of the bank borrowings are analysed as follows: 銀行借貸之償還期分析如下：		
Within one year or on demand 一年內或按要求	17,219	33,559
More than one year, but not exceeding two years 一年後但不超過兩年	11,865	5,185
More than two years, but not exceeding five years 兩年後但不超過五年	10,304	11,964
After five years 五年後	6,574	4,017
	<b>45,962</b>	<b>54,725</b>
Less: Amount due within one year shown under current liabilities 減：列作流動負債之一年內到期償還金額	(17,219)	(33,559)
Amount due after one year 一年後到期償還金額	<b>28,743</b>	<b>21,166</b>

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 24. OBLIGATIONS UNDER FINANCE LEASES

## 24. 融資租賃承擔

	THE GROUP	
	本集團	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
The maturity of obligations under finance leases is as follows: 融資租賃承擔之償還期如下：		
Within one year 一年內	255	223
More than one year, but not exceeding two years 一年後但不超過兩年	295	255
More than two years, but not exceeding five years 兩年後但不超過五年	384	685
	934	1,163
Less: Amount due within one year shown under current liabilities 減：列作流動負債之一年內到期償還金額	(255)	(223)
Amount due after one year 一年後到期償還金額	679	940



## Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 25. SHARE CAPITAL

## 25. 股本

	2000 二零零零年 Number of shares 股份數量	1999 一九九九年 Number of shares 股份數量	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Authorised * 法定*				
At beginning of the year 年初	10,000,000,000	1,000,000,000	100,000	100,000
Share subdivision 股份拆細	—	9,000,000,000	—	—
At end of the year 年終	<b>10,000,000,000</b>	10,000,000,000	<b>100,000</b>	100,000
Issued and fully paid * 已發行及繳足*				
At beginning of the year 年初	632,000,000	220,000,000	6,320	22,000
Placement of new shares (note a) 配售新股份 (附註a)	120,000,000	44,000,000	1,200	4,400
Shares transactions (note b and note c) 股份交易 (附註b及附註c)	321,945,946	52,000,000	3,219	5,200
	<b>1,073,945,946</b>	316,000,000	<b>10,739</b>	31,600
Capital reduction 削減股本	—	—	—	(28,440)
Open offer 公開發售	—	316,000,000	—	3,160
At end of the year 年終	<b>1,073,945,946</b>	632,000,000	<b>10,739</b>	6,320

\* Prior to 6 December 1999, the shares in the Company carried a nominal value of HK\$0.10 each. As a result of the capital reduction and share sub-division effective on 6 December 1999, the shares in the Company carried a nominal value of HK\$0.01 each.

\* 於一九九九年十二月六日前，本公司股份之賬面值為每股0.10港元。因進行由一九九九年十二月六日起生效之削減股本及股份拆細，本公司股份之面值為每股0.01港元。

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**25. SHARE CAPITAL (cont'd)**

Changes in the issued share capital of the Company during the year are as follows:

- (a) On 3 January 2000, the Company entered into a placing and underwriting agreement with First Shanghai Capital Limited for the placement of 120,000,000 new shares of HK\$0.01 each in the Company to be issued by it to independent third parties at the price of HK\$0.15 per share. The net proceeds from the placing of approximately HK\$17,400,000 was used for the development of medicine related business and prospective future investments in pharmaceutical projects. The allotted shares rank pari passu with the existing shares in the Company in all respects.
- (b) On 7 April 2000, the Company entered into a conditional sale and purchase agreement with an independent third party for the acquisition of an additional 29% interest in the issued share capital of LT3000 together with the relevant shareholder's loan advanced to LT3000, which amounted to HK\$5,800,000 as at 31 March 2000. The total consideration of HK\$27,000,000 was satisfied by the allotment and issue of 145,945,946 new shares of HK\$0.01 each in the Company, credited as fully paid at HK\$0.185 per share. The allotted shares rank pari passu with the existing shares in the Company in all respects. The acquisition was completed on 28 April 2000 and the Group's interest in LT3000 increased to 49% since then.

**25. 股本(續)**

年內本公司已發行股本之變動如下：

- (a) 於二零零零年一月三日，本公司與第一上海融資有限公司訂立配售及包銷協議，配售120,000,000股本公司股本中每股面值0.01港元之新股。該等新股將發行予獨立第三者，每股作價0.15港元。配售所得款項淨額約17,400,000港元將用作開發與藥物有關之業務，並預期於日後用作投資製藥項目。配發股份在各方面與本公司現有股份享有同等權益。
- (b) 於二零零零年四月七日，本公司與一名獨立第三者訂立有條件買賣協議，增購LT3000已發行股本之29%權益連同墊付予LT3000於二零零零年三月三十一日為數5,800,000之有關股東貸款。總代價27,000,000港元，以入賬列作繳足方式配發及發行145,945,946股本公司每股面值0.01港元之新股償付，每股作價0.185港元。配發股份在各方面與本公司現有股份享有同等權益。收購於二零零零年四月二十八日完成，本集團所擁有LT3000之股權自此增至49%。

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截至二零零零年十二月三十一日止年度

**25. SHARE CAPITAL (cont'd)**

(c) On 5 October 2000, the Group entered into acquisition agreement with two independent third parties for the acquisition by the Group of an additional 69.97% interest in the issued share capital of Goldstone International Holdings Limited ("Goldstone") with shareholders' loans of HK\$46,500,000 advanced thereto by the two independent third parties. The consideration for the acquisition is HK\$44,000,000, which was satisfied by the allotment and issue of 176,000,000 new shares of HK\$0.01 each in the Company, credited as fully paid at HK\$0.25 per share. The allotted shares rank pari passu with the exiting shares in all respects. The acquisition was completed on 9 November 2000 and Goldstone has become a wholly owned subsidiary of the Company since then. The acquisition during the year gave the Group a 37.12% further effective interest in Weihai Sinogen Pharmaceutical Co., Ltd. ("Sinogen"), which together with its pre-acquisition holding of 20%, made Sinogen a 57.12% subsidiary of the Group.

**26. SHARE OPTION SCHEME**

Pursuant to the Company's share options scheme which was adopted at a special general meeting of the Company held on 3 January 1997, the board of directors of the Company may, at their discretion, grant options to eligible employees, including executive directors, of the Company or any of its subsidiaries to subscribe for shares in the Company at a price not less than 80% of the average of the closing prices of the Company's shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options or the nominal value of the shares, whichever is the higher.

The maximum number of shares in respect of which options may be granted under the share option scheme shall not exceed 10% of the issued share capital of the Company from time to time and the maximum number of shares in respect of which options may be granted to any one employee shall not exceed 25% of the maximum number of shares in respect of which options may be granted under the share option scheme.

**25. 股本(續)**

(c) 於二零零零年十月五日，本集團與兩名獨立第三者訂立一項收購協議，由本集團增購Goldstone International Holdings Limited (「Goldstone」) 已發行股本中 69.97% 權益連同該兩名獨立第三者墊支予Goldstone為數46,500,000港元之貸款。收購代價為44,000,000港元，以入賬列作繳足方式配發及發行176,000,000股本公司每股面值0.01港元之新股償付，每股作價0.25港元。配發股份在各方面與現有股份享有同等權益。收購於二零零零年十一月九日完成，Goldstone自此成為本公司之全資附屬公司。本集團因年內之收購而增持威海賽洛金藥業有限公司(「賽洛金」) 37.12%之實際股權，連同其收購前持有之20%股權，賽洛金成為本集團佔其57.12%股權之附屬公司。

**26. 購股權計劃**

本公司於一九九七年一月三日之股東特別大會通過採納一項購股權計劃，據此，本公司董事會可酌情授予本公司或其任何附屬公司之合資格僱員(包括執行董事) 購股權，以認購本公司股份，而認購價將不得低於緊接授出購股權日期前五個交易日本公司股份在聯交所之平均收市價之80%或股份面值(以較高者為準)。

根據購股權計劃而授出之購股權可認購之股份數目將不得超逾本公司不時已發行股本之10%，而授予任何單一僱員之購股權之可認購股份數目將不得超逾該購股權計劃授出之購股權可認購之股份總數25%。

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**26. SHARE OPTION SCHEME (cont'd)**

A summary of the movements in share options granted to the directors and an employee under the share option scheme during the year is as follows:

**26. 購股權計劃(續)**

年內根據購股權計劃授予董事及僱員之購股權變動概述如下：

Date granted 授予日期	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元	Number of option shares 購股權股份數目		
			Balance at 1.1.2000 於 二零零零年 一月一日 結餘	Granted during the year 年內授予	Balance at 31.12.2000 於 二零零零年 十二月 三十一日 結餘
19 April 2000 二零零零年 四月十九日	19 April 2000 to 18 April 2003 二零零零年 四月十九日至 二零零三年 四月十八日	0.24	–	1,500,000	1,500,000
2 June 2000 二零零零年 六月二日	2 June 2000 to 1 June 2003 二零零零年 六月二日至 二零零三年 六月一日	0.06848	–	65,400,000	65,400,000
			–	66,900,000	66,900,000

## Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 27. RESERVES

## 27. 儲備

	Share premium 股份溢價 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Contri- buted surplus 繳入盈餘 HK\$'000 千港元	Goodwill reserve 商譽儲備 HK\$'000 千港元	Trans- lation reserve 滙兌儲備 HK\$'000 千港元	Retained profits (deficit) 保留溢利 (虧絀) HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>THE GROUP 本集團</b>							
At 1 January 1999 一九九九年一月一日	41,864	11,614	–	93	–	(31,637)	21,934
Issue of shares 股份發行	62,800	–	–	–	–	–	62,800
Capital reduction 削減股本	–	28,440	–	–	–	–	28,440
Share premium cancellation 股份溢價註銷	(104,664)	104,664	–	–	–	–	–
Elimination of deficit 撇除虧絀	–	(55,098)	–	–	–	55,098	–
Expenses incurred in connection with the placement of shares 配售股份所產生費用	–	(977)	–	–	–	–	(977)
Loss for the year 本年度虧損	–	–	–	–	–	(59,529)	(59,529)
At 31 December 1999 一九九九年十二月三十一日	–	88,643	–	93	–	(36,068)	52,668
Issue of shares 發行股份	84,581	–	–	–	–	–	84,581
Expense incurred in connection with the placement of shares 配售股份所產生費用	(809)	–	–	–	–	–	(809)
Exchange differences arising on translation of overseas subsidiaries 海外附屬公司折算所產生之滙兌差額	–	–	–	–	467	–	467
Share of exchange reserve of an associate 應佔一間聯營公司之外滙儲備	–	–	–	–	(6)	–	(6)
Goodwill arising on acquisition of subsidiaries 收購附屬公司所產生之商譽	–	–	–	(40,154)	–	–	(40,154)
Loss for the year 本年度虧損	–	–	–	–	–	(92,621)	(92,621)
At 31 December 2000 二零零零年十二月三十一日	83,772	88,643	–	(40,061)	461	(128,689)	4,126

## Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

截至二零零零年十二月三十一日止年度

## 27. RESERVES (cont'd)

## 27. 儲備(續)

	Share premium 股份溢價 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Contri- buted surplus 繳入盈餘 HK\$'000 千港元	Goodwill reserve 商譽儲備 HK\$'000 千港元	Trans- lation reserve 滙兌儲備 HK\$'000 千港元	Retained profits (deficit) 保留溢利 (虧絀) HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>THE COMPANY 本公司</b>							
At 1 January 1999 一九九九年一月一日	41,864	–	33,194	–	–	(53,124)	21,934
Issue of shares 股份發行	62,800	–	–	–	–	–	62,800
Capital reduction 削減股本	–	–	28,440	–	–	–	28,440
Share premium cancellation 股份溢價註銷	(104,664)	–	104,664	–	–	–	–
Elimination of deficit 撇除虧絀	–	–	(55,098)	–	–	55,098	–
Expenses incurred in connection with the placement of shares 配售股份所產生費用	–	–	(977)	–	–	–	(977)
Loss for the year 本年度虧損	–	–	–	–	–	(59,529)	(59,529)
At 31 December 1999 一九九九年十二月三十一日	–	–	110,223	–	–	(57,555)	52,668
Issue of shares 股份發行	84,581	–	–	–	–	–	84,581
Expense incurred in connection with the placement of shares 配售股份所產生費用	(809)	–	–	–	–	–	(809)
Loss for the year 本年度虧損	–	–	–	–	–	(92,253)	(92,253)
At 31 December 2000 二零零零年十二月三十一日	83,772	–	110,223	–	–	(149,808)	44,187

The deficit of the Group included deficit of HK\$6,254,000 (1999: HK\$1,985,000) retained by an associate of the Group.

一間本集團之聯營公司所保留之虧絀 6,254,000港元(一九九九年: 1,985,000港元)已計入本集團之虧絀內。

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截至二零零零年十二月三十一日止年度

**27. RESERVES (cont'd)**

Special reserve represents the aggregate of:

- (i) the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and the share premium account of LifeTec (Holdings) Limited, the subsidiary which was acquired by the Company pursuant to the group reorganisation in 1996; and
- (ii) the effects of the capital reduction, share premium cancellation and elimination of deficit, took place in 1999.

Contributed surplus represents the aggregate of:

- (i) the difference between the consolidated shareholders' funds of LifeTec (Holdings) Limited at the date on which the group reorganisation became effective and the nominal amount of the share capital of the Company issued under the group reorganisation and after distributions; and
- (ii) the effects of the capital reduction, share premium cancellation and elimination of deficit, took place in 1999.

In addition to the retained profits, under the Companies Act 1981 of Bermuda (as amended), contributed surplus is also available for distribution to shareholders. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

**27. 儲備(續)**

特別儲備乃指下列兩者之合計總額：

- (i) 本公司發行之股本面值與本公司根據一九九六年之集團重組而收購之附屬公司LifeTec (Holdings) Limited之已發行股本面值與股份溢價賬總和兩者之差額；及
- (ii) 一九九九年所進行之削減股本、股份溢價註銷及撇除虧絀之影響。

繳入盈餘乃指下列兩者之合計總額：

- (i) 於集團重組生效當日LifeTec (Holdings) Limited之綜合股東資金與本公司根據集團重組而發行及於分派後之股本面值兩者間之差額；及
- (ii) 一九九九年所進行之削減股本、股份溢價註銷及撇除虧絀之影響。

除保留溢利外，根據百慕達一九八一年公司法(經修訂)，本公司之繳入盈餘亦可供分派予股東。然而，倘出現以下情況，本公司即不可宣派或派發股息，又或從繳入盈餘中撥款作出分派：

- (a) 本公司於分派時或分派後無法償還到期負債；或
- (b) 本公司資產之可變現價值會因分派而減至低於其負債及其已發行股本與股份溢價賬三者相加之總額。



# Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

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截至二零零零年十二月三十一日止年度

### 27. RESERVES (cont'd)

In the opinion of the directors, the Company did not have reserves available for distribution to shareholders as at 31 December 2000 (1999: HK\$52,668,000).

### 27. 儲備(續)

董事會認為，本公司於二零零零年十二月三十一日並無可供分派予股東之儲備(一九九九年：52,668,000港元)。

### 28. RECONCILIATION OF LOSS BEFORE TAXATION TO THE NET CASH OUTFLOW FROM OPERATING ACTIVITIES

### 28. 除稅前虧損與經營業務之現金流出淨額對賬表

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Loss before taxation 除稅前虧損	(93,226)	(59,534)
Share of losses of associates 應佔聯營公司虧損	12,421	1,985
Amortisation of premium on acquisition of an associate 收購聯營公司所產生溢價攤銷	6,480	272
Interest income 利息收入	(254)	(235)
Interest expense 利息支出	6,076	8,560
Depreciation and amortisation of property, plant and equipment 物業、廠房及設備之折舊及攤銷	3,575	3,789
Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損	6,488	3,524
Amortisation of intangible asset 無形資產攤銷	462	-
Deficit on revaluation of investment property 投資物業重估減值	15,300	300
Deposit paid written off 已付定金撇銷	-	7,000
Decrease in amount due from a former subsidiary 一間前附屬公司應付款項減少	3,644	-
Increase in inventories 存貨增加	(1,089)	(183)
Decrease in debtors and prepayments 應收債項及已預繳款項減少	42,229	18,508
Increase in amount due from an associate 應收聯營公司款項增加	-	(1,392)
Decrease in creditors and accrued charges 應付款項及應計費用減少	(13,606)	(16,896)
Increase in amounts due to directors 應付董事款項增加	4,706	-
Exchange differences 滙兌差額	130	-
Net cash outflow from operating activities 經營業務之現金流出淨額	<b>(6,664)</b>	<b>(34,302)</b>

## Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

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## 29. ACQUISITION OF SUBSIDIARIES

## 29. 收購附屬公司

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Net assets acquired 收購資產淨額		
Property, plant and equipment 物業、廠房及設備	45,200	—
Intangible asset 有形資產	11,550	—
Inventories 存貨	571	—
Debtors and prepayments 應收賬項及已預繳款項	3,130	—
Bank balances and cash 銀行結存及現金	451	—
Creditors and accrued charges 應付款項及應計費用	(39,327)	—
Minority interests 少數股東權益	(9,251)	—
	<hr/>	<hr/>
Net assets 資產淨額	12,324	—
Less: Interest acquired in previous year as associate 減：於往年收購為聯營公司之權益	(8,055)	—
Goodwill 商譽	40,154	—
	<hr/>	<hr/>
	44,423	—
	<hr/>	<hr/>
Satisfied by: 支付方式：		
Allotment of shares 配股	44,000	—
Cash 現金	423	—
	<hr/>	<hr/>
	44,423	—
	<hr/>	<hr/>
Analysis of the cash inflow of cash and cash equivalents in respect of the acquisition of subsidiaries 有關收購附屬公司之現金流入及現金等值之分析		
Bank balances and cash acquired 所得銀行結餘及現金	451	—
Less: Cash consideration paid 減：已付現金代價	(423)	—
	<hr/>	<hr/>
	28	—
	<hr/>	<hr/>

The subsidiaries acquired during the year did not have any material impact on cash flow nor results of the Group for the year.

於年內收購之附屬公司對於年內本集團之現金流量及業績並無重大影響。

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截至二零零零年十二月三十一日止年度

30. ANALYSIS OF CHANGES IN FINANCING  
DURING THE YEAR

## 30. 年內融資變動之分析

	Share capital including premium 股本 (包括溢價) HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Minority interests 少數股東 權益 HK\$'000 千港元	Bank and other borrowings 銀行及 其他借貸 HK\$'000 千港元	Obligations under finance leases 融資租賃 承擔 HK\$'000 千港元
Balance at 1 January 1999 於一九九九年一月一日之結餘	63,864	11,614	–	65,476	106
Proceeds from issue of share 股份發行所得款項	58,400	–	–	–	–
Expenses incurred in connection with the placement of shares 配售股份所產生費用	–	(977)	–	–	–
Issue of shares for acquisition of an associate 因收購聯營公司發行股份	17,160	–	–	–	–
Capital Reduction 削減股本	(28,440)	28,440	–	–	–
Share premium cancellation 股份溢價註銷	(104,664)	104,664	–	–	–
Elimination of deficit 撇減虧絀	–	(55,098)	–	–	–
New borrowings raised 籌集所得新造銀行借貸	–	–	–	12,551	–
Cash contribution from minority shareholders 少數股東提供現金	–	–	5	–	–
Capital contribution from minority shareholders 少數股東注資	–	–	7,387	–	–
Loss attributable to minority shareholders 少數股東應佔虧損	–	–	(5)	–	–
Inception of finance leases 訂立融資租賃	–	–	–	–	1,296
Repayment during the year 本年度還款	–	–	–	(29,347)	(239)
Balance at 31 December 1999 於一九九九年十二月三十一日之結餘	6,320	88,643	7,387	48,680	1,163
Proceeds from issue of share 股份發行所得款項	18,000	–	–	–	–
Expenses incurred in connection with the placement of shares 配售股份所產生費用	(809)	–	–	–	–
Issue of shares for acquisition of: 發行股份以收購:					
– additional interest in an associate (note 31(a)) – 一間聯營公司之額外權益(附註31(a))	27,000	–	–	–	–
– subsidiaries (note 31(b)) – 附屬公司(附註31(b))	44,000	–	–	–	–
New borrowings raised 新造借貸	–	–	–	45,620	–
Acquisition of subsidiaries 收購附屬公司	–	–	9,251	–	–
Loss attributable to minority shareholders 少數股東應佔虧損	–	–	(605)	–	–
Repayment during the year 本年度還款	–	–	–	(44,438)	(229)
Balance at 31 December 2000 於二零零零年十二月三十一日之結餘	94,511	88,643	16,033	49,862	934

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**31. MAJOR NON-CASH TRANSACTIONS**

During the year, the Group entered into certain major non cash transactions as follows:

- (a) The Group acquired an additional 29% interest in LT3000 together with the relevant shareholder's loan advanced to LT3000, which amounted to HK\$5,800,000 as at 31 March 2000, for a consideration of HK\$27,000,000, which was satisfied by the issue of 145,945,946 new shares of HK\$0.01 each in the Company at HK\$0.185 per share.
- (b) The Group acquired an additional 69.97% interest in Goldstone together with the interest in shareholders' loans of approximately HK\$46,500,000 for a consideration of HK\$44,000,000, which was satisfied by the issue of 176,000,000 new shares of HK\$0.01 each in the Company at HK\$0.25 per share.

**32. PLEDGE OF ASSETS**

At 31 December 2000, the Group's bank borrowings were secured by charges over properties of the Group with aggregate net book value of approximately HK\$30,059,000 (1999: HK\$57,959,000). As described in note 39(c), the Group disposed of one of the properties after the year end date. The disposed property had a net book value of HK\$10,600,000 as at the year end date. The proceeds from disposal has been fully applied for repayment of the related bank loan of approximately HK\$9,600,000.

**33. CONTINGENT LIABILITIES**

The Company has given cross guarantees to banks for securing general banking facilities granted to the subsidiaries. (1999: subsidiaries and a former subsidiary). The extent of such facilities utilised by the subsidiaries and the former subsidiary as at 31 December 2000 amounted to approximately HK\$6,501,000 (1999: HK\$8,224,000) and Nil (1999: HK\$868,000) respectively.

**31. 主要非現金交易**

年內，本集團訂立若干主要非現金交易如下：

- (a) 本集團以27,000,000港元之代價收購LT3000額外29%之權益連同於二零零零年三月三十一日有關股東借予LT3000共5,800,000港元之貸款，有關代價乃以按每股作價0.185港元發行145,945,946股本公司每股面值0.01港元之新股份之方式支付。
- (b) 本集團以44,000,000港元之代價增購Goldstone 69.97%之權益連同股東貸款約46,500,000港元之利息，有關代價乃按每股作價0.25港元發行176,000,000股本公司每股面值0.01港元之新股之方式支付。

**32. 資產抵押**

於二零零零年十二月三十一日，本集團之銀行借貸乃以賬面淨值合共約30,059,000港元(一九九九年：57,959,000港元)之集團物業作為抵押。如附註39(c)所述，本集團於結算日後出售其中一項上述物業。所出售物業於結算日之賬面值為10,600,000港元。出售所得款項淨額已悉數用作償還有關銀行貸款約9,600,000港元。

**33. 或然負債**

本公司已向銀行作出互相擔保，作為附屬公司(一九九九年：附屬公司及一間前附屬公司)獲批之一般銀行信貸之保證。於二零零零年十二月三十一日，附屬公司及該前附屬公司分別已取得信貸額約6,501,000港元(一九九九年：8,224,000港元)及無(一九九九年：868,000港元)。

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**33. CONTINGENT LIABILITIES (cont'd)**

On 15 September 1999, LifeTec Enterprise Limited ("LifeTec Enterprise") had been named as a defendant in a High Court action in respect of an alleged failure to repay a loan in amount of HK\$20,000,000. The plaintiff took out an application for summary judgment under Order 14 of the Rules of the High Court on 6 October 1999 and in the hearing of the application on 25 October 1999, LifeTec Enterprise was given unconditional leave to defend the plaintiff's claim in the above action. LifeTec Enterprise filed its Defence on 8 November 1999. The plaintiff should have filed its reply, if any, fourteen days thereafter, but the LifeTec Enterprise had not received any reply from the plaintiff up to 17 May 2000 and the time for the plaintiff to file the same has long expired and the pleadings should be deemed to be closed. The directors believe that there is no ground for the above claim and it will not have any material adverse impact on the Group's operations.

**34. OPERATING LEASE COMMITMENTS**

At the balance sheet date, the Group was committed to pay the following amounts in the next year in respect of rented premises under non-cancellable operating leases as follows:

**33. 或然負債(續)**

於一九九九年九月十五日，LifeTec Enterprise Limited (「LifeTec Enterprise」) 就一宗聲稱未能償還 20,000,000 港元貸款之高等法院案件中被列為被告人。原告人於一九九九年十月六日根據高等法院規則第14條指令提出簡易程序判決申請，於一九九九年十月二十五日就有關申請進行聆訊過程中，LifeTec Enterprise 獲無條件許可於一九九九年十一月八日就上述案件對原告人之索償提交其答辯書。原告人原應於其後十四日內提交答覆書(如有)，惟截至二零零零年五月十七日為止本集團尚未接獲原告人之任何答覆，而原告人提交有關答覆書之期限早已屆滿多時，故有關訴狀應視為已告終結。董事會相信，上述索償並無理據，亦不會對本集團之業務營運造成任何重大不利影響。

**34. 經營租賃承擔**

於結算日，本集團於下年度須履行繳付之不可撤銷經營租賃房屋承擔如下：

	THE GROUP	
	本集團	
	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Operating leases which expire: 於以下年期屆滿之經營租賃：		
Within one year 一年內	—	100
Within two to five years 兩年至五年	2,196	—

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**35. RETIREMENT BENEFIT SCHEME**

Prior to 1 December 2000, the Group operated a defined contribution retirement benefit scheme (“Defined Contribution Scheme”) for its qualifying employees in Hong Kong. The assets of the scheme were held separately from those of the Group in funds under the control of an independent trustee. Where there are employees who leave the Defined Contribution Scheme prior to vesting fully in the contributions, the amount of the forfeited contributions would be used to reduce future contributions payable by the Group.

With effective from 1 December 2000, the Group has joined a Mandatory Provident Fund scheme (“MPF Scheme”) for all employees in Hong Kong and all the assets of the Defined Contribution Scheme has been transferred to the MPF Scheme. The MPF scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The retirement benefit scheme contributions arising from the Defined Contribution Scheme and the MPF Scheme charged to the income statement represent contributions payable to the funds by the Group at rates specified in the rules of the schemes.

Retirement benefits scheme contributions less forfeited contributions utilised of HK\$5,400 (1999:HK\$39,000) for the year amounted to HK\$35,000 (1999:HK\$100,000).

As at 31 December 2000 and 1999, there was no amount of forfeited contributions, which arose upon employees leaving the scheme and which are available to reduce future contributions payable by the Group in the future years.

**35. 退休福利計劃**

二零零零年十二月一日前，本集團為其香港合資格僱員設立定額供款退休福利計劃（「該計劃」），該計劃之資產由獨立受托人控制之基金分開持有，獨立於本集團之資產。倘僱員於有權全數收取供款前退出該計劃，已沒收之供款額將用以減少本集團日後應付之供款。

由二零零零年十二月一日起，本集團參加針對香港所有僱員之強制性公積金計劃（「強積金計劃」），而該計劃之所有資產已轉撥入強積金計劃。強積金計劃已根據強制性公積金計劃條例於強制性公積金管理局註冊在案。強積金計劃資產與本集團基金資產分開持有，由獨立受託人操控。根據強積金計劃規則，僱主及其僱員各須按規定之比率向強積金計劃供款。本集團根據強積金計劃之唯一責任是按計劃作出所需供款。現無被沒收供款可用作減少日後應付供款。

該計劃及強積金計劃之退休福利計劃之供款自收益表扣除，款額相當於本集團按該計劃之規則指定之比率向基金所作之供款。

退休福利計劃供款減於年內已動用沒收之供款5,400港元（一九九九年：39,000港元）為35,000港元（一九九九年：100,000港元）。

於二零零零年及一九九九年十二月三十一日，概無任何因僱員退出該計劃而產生，並可用以減少本集團於日後年度之應付日後供款額之已沒收供款。

# Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

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### 36. RELATED PARTY TRANSACTIONS

During the year, the Company entered into the following transactions with an associate of the Group.

### 36. 關連人士交易

年內，本公司與本集團一間聯營公司訂立下列交易。

	2000 二零零零年 HK\$'000 千港元	1999 一九九九年 HK\$'000 千港元
Management fee income 管理費收入	1,380	1,600
Rental income for rented premise and other facility 租賃房屋及其他設施所得租金收入	30	120
Maintenance expenses paid 已付保養開支	120	80

The above transactions were charged at cost.

上述交易乃按成本分配基準收取費用。

### 37. SUBSIDIARIES

Particulars of the Group's subsidiaries as at 31 December 2000 are as follows:

### 37. 附屬公司

本集團附屬公司於二零零零年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued/registered capital held by the Group 本集團所持 已發行股本/ 註冊資本面值 百分比		Principal activities 主要業務
Asset Manager Enterprises Limited 毅美企業有限公司	Hong Kong 香港	HK\$100 100港元	100%		Property holding 持有物業
Bestful International Ltd.	British Virgin Islands 英屬維爾京群島	US\$1 1美元	100%		Investment holding 投資控股
Dongguan Huangjiang Silver Grand Toys Manufacturing Co., Ltd. 東莞黃江銀堅玩具制品有限公司	PRC 中國	HK\$7,000,000 7,000,000港元	100%		Property holding in the PRC 於中國持有物業

# Notes to the

## Financial Statements (cont'd)

## 財務報告附註(續)

For the year ended 31 December 2000

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### 37. SUBSIDIARIES (cont'd)

### 37. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued/registered capital held by the Group 本集團所持 已發行股本/ 註冊資本面值 百分比	Principal activities 主要業務
Goldstone International Holdings Limited	British Virgin Islands 英屬維爾京群島	US\$6,600 6,600美元	100%	Investment holding 投資控股
Hop Fu (Hong Kong) Trading Company Limited 合富(香港)貿易有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	Inactive 暫無業務
LifeTec (Holdings) Limited*	British Virgin Islands 英屬維爾京群島	HK\$141,176 141,176港元	100%	Investment holding 投資控股
LifeTec Enterprise Limited	Hong Kong 香港	HK\$100 100港元	100%	General trading 一般貿易
Longkou Sunny Link Leathering Co., Ltd. 龍口旭達仿皮有限公司	PRC 中國	US\$3,100,000 3,100,000美元	68%	General trading 一般貿易
Silver Grand International Limited 銀堅國際有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100%	Investment holding 投資控股
Sino Crown International Holdings Limited 中冠國際集團有限公司	Hong Kong 香港	HK\$10,000 10,000港元	51%	Distribution of health food products 分銷保健食品
Sunny Link Trading Limited 旭達貿易有限公司	Hong Kong 香港	HK\$2 2港元	100%	Investment holding 投資控股



# Notes to the

# Financial Statements (cont'd)

# 財務報告附註(續)

For the year ended 31 December 2000

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## 37. SUBSIDIARIES (cont'd)

## 37. 附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 登記地點	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued/registered capital held by the Group 本集團所持 已發行股本/ 註冊資本面值 百分比		Principal activities 主要業務
Weihai Sinogen Pharmaceutical Co., Ltd. 威海賽洛金藥業有限公司	PRC 中國	RMB66,631,670 66,631,670人民幣	57.12%		Research, development and production of biotechnology drugs 研究、發展及 製造生化藥物
Yip Hing Toys Manufactory Limited 葉興玩具製品有限公司	Hong Kong 香港	HK\$100,000 100,000港元	100%		Inactive 暫無業務

\* *Directly held by the Company*

\* 由本公司直接持有

Apart from Longkou Sunny Link Leathering Co., Ltd. and Weihai Sinogen Pharmaceutical Co., Ltd., the principal activities of the above subsidiaries are carried out in Hong Kong.

除龍口旭達仿皮有限公司及威海賽洛金藥業有限公司外，上述附屬公司之主要業務乃在香港進行。

None of the subsidiaries had any loan capital subsisting at 31 December 2000 or at any time during the year.

附屬公司概無任何於二零零零年十二月三十一日或於年內任何時間仍然存在之借貸資本。

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**38. ASSOCIATE**

Particulars of the Group's associate as at 31 December 2000 are as follows:

**38. 聯營公司**

本集團聯營公司於二零零零年十二月三十一日之詳情如下：

Name of associate 聯營公司名稱	Place of incorporation 註冊成立地點	Attributable proportion of nominal value of issued/registered capital indirectly held by the Company 本公司間接持有之 已發行股本/ 註冊資本應佔面值百分比	Principal activities 主要業務
LT3000 Online Limited	British Virgin Islands 英屬維爾京群島	49%	Development of medical application software and hardware 發展醫療應用軟件及硬件

**39. POST BALANCE SHEET EVENTS**

- (a) On 4 January 2001, the Group entered into a conditional sale and purchase agreement with an independent third party ("Purchaser") to dispose of 51% entire interest in the issued share capital of Sino Crown International Holdings Limited ("Sino Crown") for a total consideration of HK\$1. Pursuant to the agreement, the Purchaser undertook and warranted to the Group that he should procure the subsidiary to repay the advances by the Group to the subsidiary together with accrued interest in the sum of approximately HK\$889,000. As security for the repayment of the total indebtedness and all other sums ("Total Indebtedness") which may hereafter become due and owing by Sino Crown to the Group, the Purchaser executed and delivered a charge over the shares in Sino Crown as continuing security for the payment and discharge of the Total Indebtedness.

**39. 結算日以後之事項**

- (a) 本集團於二零零一年一月四日與一名獨立第三者(「買家」)訂立一項有條件買賣協議，以1港元之代價出售中冠國際集團有限公司(「中冠」)已發行股本51%之全部權益。根據有關協議買家須向本集團承諾及保證，其須促使附屬公司償還本集團墊支之款項予附屬公司連同應計利息約889,000港元。為擔保中冠所欠負本集團於其後到期之總債項及所有其他款項(「總債項」)獲得償還，買家就中冠股份簽立及交付押記，作為支付及清償總債項之持續擔保。

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**39. POST BALANCE SHEET EVENTS (cont'd)**

- (b) On 29 March 2001, the single largest shareholder of the Company (the "Vendor") entered into an agreement with a placing agent and the Company relating to the placement of 142,000,000 existing shares in the Company held by the Vendor at HK\$0.275 per share through the placing agent to independent third parties; and the subscription of the same amount of new shares by the Vendor from the Company at HK\$0.275 per share.

The net proceeds from the placement amounted to approximately HK\$37,000,000. Approximately HK\$33,000,000 is to be applied for establishment of a new production line in the factory of a subsidiary of the Company in Weihai, Shandong for the production of biogenetic products for curing liver diseases and the balance of the net proceeds of the subscription of about HK\$4,000,000 will be applied as general working capital of the subsidiary.

- (c) On 25 April 2001, the Group disposed of a property located in Hong Kong for a consideration of HK\$10,600,000 which is equal to the carrying value of this property as at 31 December 2000.

**39. 結算日以後之事項(續)**

- (b) 於二零零一年三月二十九日，本公司單一最大股東(「賣方」)與一名配售代理及本公司訂立協議，透過該配售代理，向獨立第三者配售賣方持有之142,000,000股本公司現有股份，每股作價0.275港元；而賣方則向本公司認購相同數目之新股，每股作價0.275港元。

配售所得款項淨額約為37,000,000港元。其中約33,000,000港元將用作本公司一間位於山東省威海市之附屬公司設立一條新生產線，以製造醫治肝病之生物基因產品；其餘約4,000,000港元將用作附屬公司之一般營運資金。

- (c) 於二零零一年四月二十五日，本集團以10,600,000港元之代價出售一項位於香港之物業，有關代價相等於此項物業於二零零零年十二月三十一日之賬面值。