

Notes to Condensed Consolidated Financial Statements

1. Accounting policies

The condensed consolidated financial statements have been prepared under the historical cost convention and in accordance with HK Statement of Standard Accounting Practice (“SSAP”) No.25 “Interim Financial Reporting”, except that in the first year of implementation of SSAP No.25, as permitted by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, no comparative figures have been presented for the consolidated cash flow statement. The accounting policies adopted are consistent with those used in the Group’s annual financial statements for the year ended 31 December 2000.

2. Segmental information

An analysis of the Group’s turnover and contribution to loss from operating activities by principal activities and geographical area of sales markets is as follows:

簡明綜合財務報表附註

1. 會計政策

簡明綜合財務報表乃按歷史成本法及根據香港會計實務準則第25條「中期財務報告」所編製，惟於第一年執行會計實務準則第25條時，按香港聯合交易所有限公司證券上市規則所允許，並無呈列綜合現金流量表之比較數字。本報告所採納之會計政策與本集團截至二零零零年十二月三十一日止年度之全年財務報表所用者一致。

2. 分類資料

本集團按主要業務及銷售市場地區劃分之營業額及經營業務虧損分析如下：

	Turnover		Contribution to loss from operating activities	
	營業額		對業務經營虧損之貢獻	
	Six months ended		Six months ended	
	30 June		30 June	
	2001	2000	2001	2000
	截至六月三十日止六個月		截至六月三十日止六個月	
	二零零一年	二零零零年	二零零一年	二零零零年
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)	(未經審核)	(未經審核)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
By principal activity:	按主要業務分類：			
Manufacture and sale of plywood	10,890	4,724	(804)	(1,922)
Manufacture and sale of fancy plywood	4,827	27,332	(1,014)	(11,121)
	15,717	32,056	(1,818)	(13,043)
By geographical area:	按地區分類：			
PRC	15,512	31,184	(1,794)	(12,688)
Others	205	872	(24)	(355)
	15,717	32,056	(1,818)	(13,043)

3. Tax

Overprovision in prior years 以往年度超額撥備

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong for the period (six months ended 30 June 2000: Nil).

A group company operating in the PRC is exempt from income tax for two years starting from its first profitable year of operation and is entitled to 50% relief from income tax for the following three years under the Income Tax Law of the PRC. No provision for tax has been made as this group company did not generate any assessable profits arising in the PRC during the period.

Deferred tax has not been provided for as there were no significant timing differences at the balance sheet date.

4. Earnings/(Loss) per share

On 26 June 2001, every five issued and unissued shares of HK\$0.01 each in the share capital of the Company was consolidated into one share of HK\$0.05 each (the "Consolidated Shares"). The calculation of the basic earnings per share is based on the unaudited net profit attributable to shareholders for the six months ended 30 June 2001 of HK\$6,732,000 (six months ended 30 June 2000: loss of HK\$13,115,000) and the weighted average of 1,985,193,370 Consolidated Shares (six months ended 30 June 2000: 120,000,000 Consolidated Shares) in issue during the period.

The diluted earnings per share are not shown because there is no dilution impact for the period (six months ended 30 June 2000: Nil).

3. 稅項

Six months ended 30 June	
2001	2000
截至六月三十日止六個月	
二零零一年 (Unaudited) (未經審核) HK\$'000 千港元	二零零零年 (Unaudited) (未經審核) HK\$'000 千港元
8,551	-

由於本集團於期內在香港並無應課稅溢利，故並無提撥香港利得稅準備(截至二零零零年六月三十日止六個月：無)。

根據中國所得稅法，一間在中國經營之集團公司，自首個獲利年度起豁免繳交所得稅兩年，並於其後三年獲寬減一半所得稅。由於該集團公司於期內在中國並無賺取任何應課稅溢利，因此毋須作出稅項撥備。

由於在結算日並無重大時差，故並無提撥遞延稅項準備。

4. 每股盈利／(虧損)

於二零零一年六月二十六日，本公司股本中每股面值0.01港元之已發行及未發行股份每五股已合併為一股面值0.05港元之股份(「合併股份」)。每股基本盈利乃根據截至二零零一年六月三十日止六個月股東應佔未經審核溢利淨額6,732,000港元(截至二零零零年六月三十日止六個月：虧損13,115,000港元)及期內已發行合併股份加權平均股數1,985,193,370股(截至二零零零年六月三十日止六個月：120,000,000股合併股份)計算。

由於期內並無攤薄影響，故並無列出攤薄後之每股盈利(截至二零零零年六月三十日止六個月：無)。

5. Accounts receivable

The Group maintains a defined credit policy. The aging analysis of accounts receivable is as follows:

Aged analysis:	賬齡分析：
Within one month	一個月內
30 to 60 days	30至60日
61 to 90 days	61至90日
Over 90 days	90日以上

5. 應收賬款

本集團有明確之信貸政策。應收賬款之賬齡分析如下：

30 June 2001 二零零一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2000 二零零零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
3,643	1,224
372	226
151	-
46	47
4,212	1,497

6. Accounts payable

The aging analysis of accounts payable is as follows:

Aged analysis:	賬齡分析：
Within one month	一個月內
30 to 60 days	30至60日
61 to 90 days	61至90日
Over 90 days	90日以上

6. 應付賬款

應付賬款之賬齡分析如下：

30 June 2001 二零零一年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2000 二零零零年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
4,239	1,335
145	756
7	74
1,108	2,237
5,499	4,402

7. Share capital

7. 股本

		Notes 附註	Number of ordinary shares 普通股數目	HK\$'000 千港元
Authorised:	法定股本：			
Ordinary shares of HK\$0.01 each As at 31 December 2000	於二零零零年十二月三十一日 每股面值0.01港元之普通股		20,000,000,000	200,000
Ordinary shares of HK\$0.05 each As at 30 June 2001	於二零零一年六月三十日 每股面值0.05港元之普通股	(a)	4,000,000,000	200,000
Issued and fully paid:	已發行及繳足股本：			
Ordinary shares of HK\$0.01 each As at 31 December 2000	於二零零零年十二月三十一日 每股面值0.01港元之普通股		9,600,000,000	96,000
Issue of shares	發行股份	(b)	1,000,000,000	10,000
Ordinary shares of HK\$0.05 each As at 30 June 2001	於二零零一年六月三十日 每股面值0.05港元之普通股	(a)	2,120,000,000	106,000

(a) On 26 June 2001, an ordinary resolution was passed at a special general meeting to consolidate every five issued and unissued shares of HK\$0.01 each in the share capital of the Company into one share of HK\$0.05 each (the "Consolidated Shares"). The board lot for trading in the Consolidated Shares is 2,000.

(b) On 20 April 2001, a board resolution was passed to issue 1,000,000,000 new shares of HK\$0.01 each at a price of HK\$0.15 per share to the controlling shareholder. The issue was effected on 3 May 2001 following a placement of 1,000,000,000 shares of HK\$0.01 each in the share capital of the Company at a price of HK\$0.15 per share to an independent investor by the controlling shareholder on 23 April 2001. The independent investor holds approximately 9.43% of the enlarged issued share capital of the Company. After the consolidation of shares, the number of shares became 200,000,000 Consolidated Shares of HK\$0.05 each.

(a) 於二零零一年六月二十六日舉行之股東特別大會上通過一項普通決議案，將本公司股本中每股面值0.01港元之已發行及未發行股份每五股合併為一股面值0.05港元之股份（「合併股份」）。每手合併股份之買賣單位為2,000股。

(b) 於二零零一年四月二十日通過一項董事會決議案，向控股股東以每股0.15港元之價格發行1,000,000,000股每股面值0.01港元之新股份。有關發行隨二零零一年四月二十三日控股股東以每股0.15港元之價格向一名獨立投資者配售本公司股本中每股面值0.01港元之1,000,000,000股股份後於二零零一年五月三日完成。該名獨立投資者持有本公司經擴大已發行股本約9.43%。於股份合併後，有關股份成為200,000,000股每股面值0.05港元之合併股份。