

# Income Statement

*Financial Statements Prepared in Accordance with Hong Kong Accounting Standards*

FOR THE YEAR ENDED 31ST DECEMBER, 2000

		<b>2000</b>	1999
	<i>NOTES</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Turnover	3	91,071	46,247
Cost of sales		(68,836)	(35,119)
Provision against the carrying value of inventories		-	(26,318)
Gross profit (loss)		22,235	(15,190)
Other income	4	7,650	6,825
Administrative expenses		(19,140)	(20,372)
Distribution costs		(6,179)	(4,891)
Provision for doubtful debts		-	(10,241)
Profit (loss) from operations	5	4,566	(43,869)
Finance costs	6	(3,439)	(2,527)
Non-operating expenses		(155)	(172)
Profit (loss) before taxation		972	(46,568)
Taxation	7	-	-
Net profit (loss) for the year before allocation to statutory reserves	8	972	(46,568)
Transfer to statutory surplus reserve	9	-	-
Transfer to statutory public welfare fund	9	-	-
		972	(46,568)
Accumulated losses at beginning of the year		(60,028)	(13,460)
Accumulated losses at end of the year		(59,056)	(60,028)
Earnings (loss) per share	10	0.4 cents	(19.0 cents)

There were no recognised gains or losses other than the net profit (loss) for the year.