



## TURNOVER AND RESULTS

During the year ended 31 December 2000 (“the Year”), China Everbright Technology Limited (“the Company”) and its subsidiaries (collectively, “the Group”) have continuously adopted the strategic adjustment of business direction by retreating from manufacturing operations gradually. The negative impacts inflicted by the unhealthy assets on the Group were, nevertheless, mitigated by the provisions for diminution in value of investment in respect of certain investments in previous years.

The Group’s audited consolidated turnover and profit for the Year approximately amounted to HK\$244.11 million and HK\$13.7 million respectively (consolidated turnover and loss in 1999 were approximately HK\$690.74 million and HK\$149.72 million respectively).

Consolidated turnover has been decreased approximately by HK\$446.63 million, representing a 65% decrease as compared to the same period last year.

Profit for the Year was mainly attributable to the following factors:

1. gain on disposal of approximately HK\$12.66 million in respect of 100% equity interest in Goodnice International Limited (“Goodnice”); and
2. gain on disposal of approximately HK\$32.12 million in respect of the Group’s interest in China Everbright Telecom-Land Network Limited (“Telecom-Land Network”).

## OPERATING REVIEW

Due to the decline in the e-business worldwide during the Year, the business environment remains depressed and turbulent, although the Hong Kong economy is riding on the recovery. However, upon redirection of the Group’s business focus and adjustment of the unhealthy assets, accordingly, the overall results of the Group for the Year were significantly improved over last year.

## 營業額及業績

截至二零零零年十二月三十一日止（「本年度」），中國光大科技有限公司（「本公司」）及其附屬公司（統稱「本集團」）繼續推進逐步退出製造業，由公司的不良資產帶來之負面影響也被去年對部分投資所作的減值準備所緩和。

本集團於本年度之經審核綜合營業額及本年度溢利分別約為244,110,000港元及13,700,000港元（上年度綜合營業額及虧損分別約為690,740,000港元及149,720,000港元）。

綜合營業額較上年度下降約446,630,000港元，下降幅度約為65%。

本年度盈利的主要原因有：

- 1 出售德麗國際有限公司（「德麗公司」）之100%權益所得利潤約為12,660,000港元。
- 2 出售本集團擁有中國光大通訊天地網路系統有限公司（「通訊天地網絡」）之權益所得利潤約為32,120,000港元。

## 業務回顧

本年度間，由於全球電子業務不景氣，雖然香港經濟逐漸復甦，但是營商環境持續低迷、不穩定，基於本集團致力轉營業務方向及調整不良資產，因此，相對上年度，本集團於本年度之整體業績已作出重大改進。

Operating review on the Group's major operations are summarised as follows:

### Manufacturing operation

#### *Watches and timepieces manufacturing and distribution*

Everbright EB Brand Limited ("EB Brand"), a wholly-owned subsidiary of the Group, distributes adidas and Seiko watches through its network as the distributor and agent respectively in the PRC, in addition to selling its own EB watches through its sales network in the PRC market. During the Year, EB Brand obtained the authorization as the sole distributor and agent from Chinese Basketball Association to produce and distribute CBA watches. Also, EB Brand sponsored the CBA watches to the Chinese Nation Basket Team in 2000 Sydney Olympic Game in order to raise its renown. EB Brand is sharing approximately 15% of the local brand watch and timepiece market in the PRC. Stable revenue was generated from such business. Moreover, in order to increase the added value of its network, EB Brand plans to introduce other international renowned brands into its product range for sales through its extensive distribution network in the PRC.

#### *Keyboard manufacturing*

In 1997, the Group acquired the entire interest in a production plant engaging in the business of computer keyboard production. Pursuant to an agreement entered into between the Group and the vendor, the Group is entitled to a guaranteed after-tax profit of not less than HK\$22 million for the year of 1999. Owing to various factors, the audited profit for the year of 1999 attributable to the Group from the business did not reach the guaranteed profit. The Group has not reached any further agreement with the profit guarantor with respect to the technical support, marketing and management upon expiry of the profit guarantee period. The Group decided to dispose of this operation.

On 5 June 2000, the Company entered into a sale and purchase agreement with Sinolink Technology Investment Inc. ("Sinolink"), an independent third party. Pursuant to the agreement, the Company agreed to sell 100% equity interest

本集團主要業務之經營回顧概述如下：

### 生產業務

#### *鐘錶製造及分銷業務*

光大依波系列品牌有限公司（「依波品牌」，為本公司之全資附屬公司）在國內市場的營銷網絡，現除營銷其自有品牌「依波表」以外，還以中國地區總經銷商身份通過其現有網絡營銷「adidas」運動手錶，同時在中國部分地區代理「精工」表之銷售。本年度間，依波品牌更獲得中國籃球協會之專利權，成為獨家製造及代理經銷「CBA」運動手錶，於2000悉尼奧運會，依波品牌更贊助CBA運動手錶給予中國國家籃球隊出征奧運，藉此提高CBA運動手錶的知名度。依波品牌產品約佔中國國內品牌鐘錶市場約15%份額，上述業務均錄得穩定收入。此外，為增加其網絡附加價值，依波品牌亦計劃繼續引入其他世界知名品牌產品在其營銷網絡中推廣。

#### *電腦鍵盤生產業務*

本集團於一九九七年收購一從事鍵盤生產業務之工廠之全部權益。根據本集團與賣方簽訂之協議，本集團應於截至上年度內，獲保證之稅後利潤不少於22,000,000港元。但因種種原因，上年度該業務的經審核之本集團應佔溢利未能達到上述保證利潤。且由於本集團並未能就利潤保證期結束後之合作安排與原協定的利潤保證方技術提供、市場營銷及管理等多方面達成進一步協議。有見及此，本集團決議出售此項業務。

於二零零零年六月五日，本公司與一獨立第三者 Sinolink Technology Investment Inc.（「Sinolink」）簽訂一項買賣協議，藉此，本公司同意出售德麗國際有限公司（「德麗公



in Goodnice International Limited (“Goodnice”) which is engaged in the sale and manufacture of computer keyboards to Sinolink at a total cash consideration of HK\$140 million and the aggregate amounts of Goodnice’s audited net profits after tax for the three financial years of 1997, 1998 and 1999 of approximately HK\$54.7 million. The transaction was completed in July 2000. The consideration will be settled by instalments and paid in full by the year end of 2002. Up to the end of March 2001, the Group has already received 5 instalments amounted to HK\$83.35 million. The management have reviewed the recoverable amount of the outstanding balance and made a provision of HK\$11 million in the profit and loss account. From this transaction, the Group recorded a gain on disposal amounted to HK\$12.66 million.

#### *Computer casing manufacturing*

The Group owned a 51% equity interest in Everbright Shunde Sunto Computer Limited (“Shunde Sunto”). The full provision of the cost of investment was charged to the profit and loss account in 1998. Operating results, assets and liabilities of the said operation were not consolidated by the Group accordingly.

The Group negotiated a restructure plan of Shunde Sunto with a potential investor and bankers in December 2000. Due to the unresolved liability arrangements, the restructure plan of this investment eventually led to serious deadlock. In the reason of protecting the Group’s benefit, the Group as a major creditor raised the liquidation of Shunde Sunto and to claim the shareholder loans due from Shunde Sunto.

#### **Distribution operation**

##### *Communication equipment distribution*

In order to speed up the implementation of Telecom-Land Network’s e-Commerce business strategies, on 15 January 2000, the Company entered into an agreement with an independent third party, GMAI-Asia.Com, Inc. (“GMAI-Asia”). Pursuant to the agreement, 65% equity interest in Telecom-Land Network would be sold at a consideration of RMB30 million. The consideration was satisfied by the allotment and

司)之100%權益給予Sinolink，德麗公司主要從事銷售及製造電腦鍵盤業務，代價為現金總額140,000,000港元和一九九七、一九九八及一九九九年三個財政年度經審核盈利總金額約54,700,000港元，該項交易於二零零零年七月完成。代價以分期付款方式支付，並將於二零零二年年終全部支付。至二零零一年三月底，本集團已收五期付款共83,350,000港元，管理層對餘下尚未償還之款項作出評估，並作11,000,000港元的一般撥備於損益賬內，從這交易中，本集團錄得的出售利潤總數約為12,660,000港元。

##### *電腦機箱生產業務*

本集團持有順德市光大順通電腦有限公司(「順德順通」)之51%權益，此項業務已於一九九八年作全數減值撥備，本集團已不再綜合此項業務的營運業績、資產和負債於帳內。

於二零零零年十二月，本集團與一誠意投資者和銀行商議順德順通的重組計劃，由於一些未能解決的債務問題，導致這重組計劃出現嚴重僵局。為保護本集團的利益為前題，本集團作為順德順通主要債權人提出順德順通之清盤，追討本集團的股東貸款。

#### **分銷業務**

##### *通訊產品分銷業務*

為加快推進通訊天地網絡的電子商務策略，於二零零零年一月十五日，本公司與一獨立第三者美國GMAI-Asia.Com, Inc. (「邁寧公司」)簽訂一項協議。根據該協議，通訊天地網絡的65%權益將會出售予邁寧公司，代價為人民幣30,000,000。該代價以Greg Manning Auctions Inc. (「GMAI」，是於美國NASDAQ上

issuance of 168,104 shares in the capital of Greg Manning Auctions Inc. ("GMAI", a company listed on NASDAQ in USA and the holding company of GMAI-Asia) in equivalent value. GMAI is a global e-commerce company and internet merchant with operation in Asia, Europe and North America. From this transaction, the Group recorded a gain on disposal amounted to HK\$32.12 million.

The transaction was completed on 15 February 2000. The market value of GMAI was approximately US\$21.6 per share at the date of completion. Due to the decline in the e-business worldwide, it seriously affected the market value of GMAI share. The Group disposed part of GMAI shares during the Year. The market value of GMAI was approximately US\$2 per share at the date of 31 December 2000. The realised and unrealised loss on these equity shares for the Year approximately amounted to HK\$20 million.

#### Properties investment

Rental returns from the Group's investment properties (mainly commercial properties and industrial premises) have suffered from the liquidation of one major tenant ("the Tenant"). The Tenant has returned the possession of the vacant units of the factory premises to the Group.

During the Year, a deficit of approximately HK\$5 million was recorded which represented property devaluation of the Group's interest in its own principal office premises and investment properties. In view of the declining industrial property market, the Group is under consideration to dispose of certain non-core properties at appropriate prices.

#### FINANCIAL POSITION

In February 2000, the Group entered into a subscription agreement with China Everbright Holdings Company Limited ("CEH"). Pursuant to the agreement, Kenco Investments Limited, an indirectly wholly-owned subsidiary of CEH, subscribed for 74,000,000 new ordinary shares of the Company at a subscription price of HK\$1.51 per share, and a net proceeds of approximately HK\$109 million was raised. Up to the end of March 2001, the Group has already received 5 instalments amounted to HK\$83.35 million from Sinolink in connection with the sale of Goodnice. The Group presently

市及為邁寧公司之控股公司) 配發及發行同等價值之168,104股股份作抵價。GMAI為國際電子商貿及互聯網公司，業務遍佈亞洲、歐洲及北美洲。從這交易中，本集團錄得的出售利潤總數約為32,120,000港元。

該項交易於二零零零年二月十五日完成，GMAI於當日之市場股價約為21.6美元，由於全球電子業務不景氣，對GMAI之市場股價帶來嚴重之影響，於本年度間，本集團已出售部分持有的GMAI股票，於二零零零年十二月三十一日的GMAI之市場股價約為2美元，於本年度，本集團從GMAI股票所錄得的已變現與未變現總虧損約為20,000,000港元。

#### 物業投資

由於本集團其中一名主要租戶（「該租戶」）的清盤問題，本集團之投資物業（主要為商業大廈及工廠樓宇）之租金回報受到不利影響。該租戶已交回工廠樓宇之空置單位予本集團。

為反映商業及工業物業價值持續下降，本集團謹為其主要辦事處及投資物業重估虧蝕作5,000,000港元撥備。由於工業物業市場不景氣，本集團考慮以適合之價格出售其非核心物業。

#### 財政狀況

於二零零零年二月，本集團與中國光大集團有限公司（「光大集團」）簽訂一項認購協議，根據此協議，光大集團之間接全資附屬公司 Kenco Investments Limited 已認購本公司 74,000,000 股新發行普通股，共得款項淨額約為 109,000,000 港元。至二零零一年三月底，本集團已收取 Sinolink 收購德麗公司共五期之分期付款總值 83,350,000 港元，本集團現持有



holds liquid funds of over HK\$200 million which provide adequate working capital to support the investment into new ventures.

As at 31 December 2000, the Group had a consolidated shareholders' fund of approximately HK\$514.73 million (as at 31 December 1999: approximately HK\$285.3 million). As at 31 December 2000, the consolidated net assets value per share was HK\$0.33 (as at 31 December 1999: net assets value per share was HK\$0.19).

#### USE OF PROCEEDS

As the establishment of the high technology project investments are still underway and has not reached a stage which requires capital injection, the proceeds are still placed with the Group's major banks.

#### OUTLOOK

The Group has a clear business strategy "continue to develop in adjustment period, further to improve during development". By shifting its business focus onto new high technology and providing related services, the management believes that the Group has a clear definition of business. On the one side, it has a fast development in information technology products. On the other side, the e-Commerce business is in the declining period. It provides a lot of new development opportunities in biotechnology products. Meanwhile, China's entry into the World Trade Organization ("WTO") will inevitably create both business opportunities and competitions.

The Group will emphasize the investment in information system, software and biotechnology, medication. Meanwhile, the Group will continue to enlarge its equity base and to position itself for the business opportunities offered by fast technology growth and China's imminent entry into the WTO. In light of this, the Board remains optimistic about the Group's business prospects in 2001.

現金逾200,000,000港元作為流動資金，為本集團提供充足之營運資金，更可支持本集團現有業務之發展，並把業務發展至多元化。

於二零零零年十二月三十一日，本集團之綜合股東資金約為514,730,000港元（於一九九九年十二月三十一日約為285,300,000港元）。於二零零零年十二月三十一日，綜合每股淨股價約為0.33港元（於一九九九年十二月三十一日約為0.19港元）。

#### 所得款項用途

由於有關的高科技項目正在推進中，尚未到達資本注入階段，故該等資金仍保存於本集團主要往來銀行。

#### 展望

本集團的商業策略明確為「在調整中發展，在發展中調整」的方針，本集團把業務重心轉移至高新科技至新及提供相關服務；一方面，資訊科技產品得以高速發展，另一方面，電子商貿業務踏入衰退期，正好提供無限機會給予生物製藥科技的發展。同時，中國加入世界貿易組織（「世貿組織」）將帶來無限商機和競爭。

本集團將著重信息產業、軟件和生物製藥等投資項目，同時，本集團將進一步擴充實力和壯大資本，為下一步業務發展和迎接中國加入世貿組織帶來的發展機遇打下良好基礎，有見及此，董事會對本集團於二零零一年之發展甚表樂觀。