

12. INTANGIBLE ASSETS

Group

	Technical knowhow HK\$'000	Trademarks HK\$'000	Total HK\$'000
Cost:			
At 1 April 2000	9,091	—	9,091
Additions	—	2,500	2,500
At 31 March 2001	9,091	2,500	11,591
Accumulated amortisation:			
At 1 April 2000	—	—	—
Provided during the year	739	125	864
At 31 March 2001	739	125	864
Net book value:			
At 31 March 2001	8,352	2,375	10,727
At 31 March 2000	9,091	—	9,091

13. INTERESTS IN SUBSIDIARIES

	Company	
	2001 HK\$'000	2000 HK\$'000
Unlisted investments, at cost	52,990	83,222
Due from subsidiaries	68,346	34,305
Due to subsidiaries	(24,088)	(18,259)
Loan to a subsidiary	1,091	—
	98,339	99,268

The balances with subsidiaries are unsecured, interest-free and, except for an amount due from a subsidiary of HK\$13,929,000 which is repayable on 21 April 2014, have no fixed terms of repayment.

The loan to a subsidiary is unsecured, bears interest at 12% per annum and has no fixed terms of repayment.

13. INTERESTS IN SUBSIDIARIES (Cont'd)

Particulars of the subsidiaries are as follows:

Name	Place of incorporation/ registration and operations	Nominal value of issued share/registered capital	Percentage of equity attributable to the Company		Principal activities
			2001	2000	
Directly held					
Extrawell (BVI) Limited	British Virgin Islands	US\$10,000 Ordinary	100%	100%	Investment holding
Jilin Extrawell Changbaishan Pharmaceutical Co., Ltd. (“JECF”) #	People’s Republic of China	RMB33,000,000	60%	60%	Development, manufacture and distribution of pharmaceutical products
Indirectly held					
Extrawell Enterprises Limited	Hong Kong	HK\$20 Ordinary HK\$1,000,000 Non-voting deferred *	100%	100%	Investment holding and provision of agency services
South Asia Pharmaceutical (China) Limited	British Virgin Islands/ Malaysia	US\$50,000 Ordinary	100%	100%	Marketing and distribution of pharmaceutical products, and medical appliances and equipment
Changchun Extrawell Pharmaceutical Co., Ltd. (“CEP”) #	People’s Republic of China	RMB7,980,000	80%	80%	Development, manufacture and distribution of pharmaceutical products
GSA Services (L) Bhd	Malaysia	US\$1,000	100%	100%	Investment holding
Austcow Limited	Malaysia	US\$1,000	90%	90%	Investment holding and trading of health care and nutritional products
Australia Austcow Enterprise Pty. Ltd.	Australia	AUD10 Ordinary	90%	90%	Trading of health care and nutritional products
Extrawell Pharmaceutical (HK) Limited	Hong Kong	HK\$2 Ordinary	100%	100%	Dormant
Extrawell Pharmaceutical (China) Limited	Hong Kong	HK\$2 Ordinary	100%	100%	Dormant
Pacific Dragon Enterprises Ltd.	British Virgin Islands/ Malaysia	US\$1,000 Ordinary	100%	100%	Dormant

13. INTERESTS IN SUBSIDIARIES (Cont'd)

- * The non-voting deferred shares carry no rights to dividends, no rights to vote at general meetings and no rights to receive any surplus in a return of capital in a winding-up or otherwise.
- # CEP and JECP are established by the Group and its partners in the PRC both for a period of fifteen years commencing from the date of the issuance of their respective business licences on 8 August 1992 and 22 April 1999, respectively. In accordance with the joint venture agreements, the Group is entitled to share the results of CEP and JECP and, upon termination of their joint venture agreements, to take back the assets contributed by it and is responsible for its share of the debts and liabilities, according to its equity interests therein.

14. DEPOSITS PAID

Last year's balances represented full payments made for the purchase of office premises and trademarks in the PRC of HK\$18,000,000 and HK\$2,500,000, respectively. The Group obtained the realty title certificates in respect of the office premises and the registration certificates of the trademarks during the year ended 31 March 2001. As a result, the respective deposits were transferred to the respective categories of assets.

15. INVENTORIES

	Group	
	2001 HK\$'000	2000 HK\$'000
Raw materials	1,504	1,117
Work in progress	720	709
Finished goods	10,402	17,485
	<u>12,626</u>	<u>19,311</u>

At the balance sheet date, no inventories (2000: Nil) were stated at net realisable values.

16. ACCOUNTS RECEIVABLE

The ages of the Group's accounts receivable are analysed as follows:

	Group	
	2001 HK\$'000	2000 HK\$'000
Outstanding balances with ages:		
Within 90 days	57,881	24,722
Between 91 to 180 days	9,310	8,152
Between 181 to 365 days	8,283	5,442
Between 1 to 2 years	3,171	7,712
Over 2 years	7,129	5,805
	<u>85,774</u>	<u>51,833</u>
Less: Provision for bad and doubtful debts	(10,980)	(6,656)
	<u>74,794</u>	<u>45,177</u>

17. ACCOUNTS AND BILLS PAYABLE

The ages of the Group's accounts and bills payable are analysed as follows:

	Group	
	2001 HK\$'000	2000 HK\$'000
Outstanding balances with ages:		
Within 90 days	1,641	3,410
Between 91 to 180 days	2,231	2,255
Between 181 to 365 days	—	617
Between 1 to 2 years	1	13
Over 2 years	75	70
	<u>3,948</u>	<u>6,365</u>

18. DUE TO MINORITY EQUITY HOLDERS

The amounts due to minority equity holders are unsecured, interest-free and, except for an amount due to a minority equity holder of HK\$9,091,000 which is repayable on 21 April 2014, are repayable on demand.

19. BANKING AND OTHER LOAN FACILITIES

At 31 March 2001, the Group's banking facilities were supported by the following:

- (a) fixed deposits of approximately HK\$13.3 million (2000: HK\$12.5 million) of a wholly-owned subsidiary of the Company; and
- (b) corporate guarantees from the Company and certain subsidiaries of the Company.

Last year's unsecured other loan, which represented a loan from an independent third party and bore interest at 6.43% per annum, was settled during the year.

20. SHARE CAPITAL

	Company	
	2001 HK\$'000	2000 HK\$'000
Authorised:		
20,000,000,000 ordinary shares of HK\$0.01 each	<u>200,000</u>	<u>200,000</u>
Issued and fully paid:		
1,900,000,000 ordinary shares of HK\$0.01 each	<u>19,000</u>	<u>19,000</u>

A summary of the movements in the issued share capital of the Company during the year ended 31 March 2000 is as follows:

	Number of shares issued ('000)	Par value HK\$'000
Balance at 1 April 1999	190,000	19,000
Subdivision of 1 ordinary share of HK\$0.10 each into 10 ordinary shares of HK\$0.01 each	<u>1,710,000</u>	<u>—</u>
Balance at 31 March 2000, 1 April 2000 and 31 March 2001	<u>1,900,000</u>	<u>19,000</u>