

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain properties and investments and in accordance with accounting principles generally accepted in Hong Kong.

In 2001, the Group adopted and implemented the following revised or new Statement of Standard Accounting Practices ("SSAPs") issued by the Hong Kong Society of Accountants:

SSAP 1 (revised)	Presentation of financial statements
SSAP 9 (revised)	Events after the balance sheet date
SSAP 11 (revised)	Foreign currency translation
SSAP 14 (revised)	Leases
SSAP 15 (revised)	Cash flow statements
SSAP 26	Segment reporting
SSAP 28	Provisions, contingent liabilities and contingent assets
SSAP 29	Intangible assets
SSAP 30	Business combinations
SSAP 31	Impairment of assets
SSAP 32	Consolidated financial statements and accounting for investments in subsidiaries
SSAP 33	Discontinuing operations

SSAP 1 (revised), SSAP 11 (revised), SSAP 15 (revised) and SSAP 33 are applied in advance of their effective dates.

The adoption of these new and revised SSAPs has resulted in the following changes to the Group's accounting policies which have affected the amounts reported for the current or prior years:

(i) Dividends

In accordance with the revised SSAP 9, dividends proposed or declared after the balance sheet date are no longer recognised as liabilities at the balance sheet date. This change in accounting policy has been applied retrospectively and as a result, reserves of the Group and Company as at 31st December 2000 have been increased by HK\$46,066,000.

(ii) Goodwill

The Group has adopted the transitional provisions as permitted under SSAP 30 not to restate the goodwill/negative goodwill taken to reserves prior to 1st January 2001. However, any impairment in respect of such goodwill are recognised as an expense in the period in which impairment has occurred in accordance with the requirements of SSAP 31.

As a result, goodwill previously taken directly to reserve amounting to HK\$136,000 has been reclassified from capital reserve to revenue reserves.

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(b) Basis of consolidation

The consolidated financial statements include the financial statements of K. Wah Construction Materials Limited and its subsidiaries made up to 31st December and the Group's attributable share of post-acquisition results and reserves of its jointly controlled entities and associated companies.

Results attributable to subsidiaries, jointly controlled entities and associated companies acquired or disposed of during the year are included in the consolidated profit and loss statement from the date of acquisition or to the date of disposal as applicable.

The profit or loss on disposal of subsidiaries, jointly controlled entities or associated companies is calculated by reference to the net assets at the date of disposal including the attributable amount of goodwill/negative goodwill which remains unamortised, including those previously taken directly to reserves.

All significant inter-company transactions and balances within the group companies are eliminated.

(c) Subsidiaries

A company is a subsidiary in which the Group directly or indirectly, holds more than 50% of the issued equity capital for long term, or controls more than 50% of the voting power, or controls the composition of the board of directors.

In the Company's balance sheet, investments in subsidiaries are carried at or below cost. Provision is made when, in the opinion of the directors, there is a long-term impairment in value. The results of subsidiaries are accounted for by the Company on the basis of dividend income.

(d) Jointly controlled entities

A jointly controlled entity is a joint venture in respect of which a contractual arrangement is established between the participating venturers and whereby the Group together with the venturer undertake an economic activity which is subject to joint control and none of the venturers has unilateral control over the economic activity.

The consolidated profit and loss statement includes the Group's share of the results of jointly controlled entities, and the consolidated balance sheet includes the Group's share of the net assets of jointly controlled entities under the equity method.

(e) Associated companies

An associated company is a company, not being a subsidiary, in which an equity interest is held for the long-term and significant influence is exercised in its management.

The consolidated profit and loss statement includes the Group's share of the results of associated companies, and the consolidated balance sheet includes the Group's share of net assets of the associated companies under the equity method.

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(f) Goodwill

Goodwill represents the difference between the cost of an acquisition over the fair values ascribed to the Group's share of the net tangible assets of the acquired subsidiaries, jointly controlled entities and associated companies at the effective date of acquisition.

Goodwill arising on acquisitions occurring on or after 1st January 2001 is included in the balance sheet as a separate asset and amortised using the straight line method over its estimated useful life of not more than twenty years.

Goodwill on acquisitions, which occurred prior to 1st January 2001, was taken directly to reserves. The carrying amount of goodwill, including those previously taken directly to reserves, is reviewed annually and provision is only made where, in the opinion of the Directors, there is a long-term impairment in value.

Where the fair values ascribed to the net assets exceed the purchase consideration, such differences are recognised in the profit and loss statement in the year of acquisition or over the weighted average useful life of those non-monetary assets acquired.

(g) Fixed assets and depreciation

Fixed assets are stated at cost or valuation less accumulated depreciation and provision for significant permanent impairment in values.

Leasehold land and buildings and improvements are depreciated over their respective lease periods using the straight-line method. Other fixed assets are depreciated over their estimated useful lives, using the straight-line method, at the following annual rates:

Plant and machinery	5 to 25%
Other fixed assets	20 to 25%

Major costs incurred in restoring fixed assets to their normal working condition are charged to the profit and loss statement. Improvements are capitalised and depreciated over their expected useful lives to the Group. The carrying amounts of fixed assets are reviewed regularly. When the estimated recoverable amounts have declined permanently below their carrying amounts, the carrying amounts are written down to their estimated recoverable amounts. Expected future cash flows have been discounted in determining the recoverable amounts.

Profit or loss on disposal of a fixed asset is determined as the difference between the net sales proceed and the carrying amount of the relevant asset, and is recognised in the profit and loss statement. Upon the disposal of revalued assets, the relevant realised revaluation reserve is transferred directly to revenue reserves.

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(h) Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed, held for their long-term investment potential and are not occupied by the Group. Investment properties are carried at fair values, representing their open market value based on professional valuation. A deficit in valuation is charged to the profit and loss statement; an increase is first credited to the profit and loss statement to the extent of valuation deficit previously charged and thereafter is credited to the investment properties revaluation reserve. Upon the disposal of an investment property, any relevant revaluation surplus realised is transferred to the profit and loss statement.

No depreciation is provided on investment properties held on leases of more than twenty years.

(i) Leased assets

Assets leased from third parties under agreements that transfer substantially all the risks and rewards incident to ownership of the relevant assets to the Group are classified as finance leases. At the inception of a finance lease, the fair value of the asset or, if lower, the present value of the minimum lease payments, derived by discounting them at the interest rate implicit in the lease, is capitalised as a fixed asset; the corresponding obligations, net of finance charges, is included under long-term liabilities. Assets held under finance leases are depreciated on the basis described in note (g) above. Gross rental payable in respect of finance leases are apportioned between interest charges and a reduction of the lease obligations based on the interest rates implicit in the relevant leases.

Leases where a significant portion of the risk and rewards of ownership are retained by the lessors are classified as operating leases. Rentals payable, net of incentives received from the lessors, under operating leases are charged to the profit and loss statement on a straight-line basis over the lease terms.

(j) Deferred expenditure

Quarry site development represents costs of constructing infrastructure at the quarry site to facilitate excavation. Overburden removal costs are incurred to bring the quarry site into a condition ready for excavation. These costs are amortised over the estimated useful lives of the quarries and sites concerned using the straight-line method.

Pre-operating costs are expensed as they are incurred.

(k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost calculated on the weighted average basis, comprises materials, direct labour and an appropriate proportion of production overhead expenditure. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(l) Investments

Investments are carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of investments are recognised in the profit and loss statement. Profits or losses on disposal of investments, representing the difference between the net sales proceeds and the carrying amounts, are recognised in the profit and loss statement as they arise.

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)**(m) Foreign currencies**

Transactions in foreign currencies during the year are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at rates of exchange ruling at that date. Exchange differences arising are dealt with in the profit and loss statement.

Profit and loss statements of subsidiaries, jointly controlled entities and associated companies expressed in foreign currencies are translated at the weighted average exchange rates for the year and balance sheets are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising from the translation of net investments in these subsidiaries, jointly controlled entities and associated companies are taken directly to reserves.

In previous years, profit and loss statements of subsidiaries, jointly controlled entities and associated companies expressed in foreign currencies were translated at exchange rates ruling at the balance sheet date. This accounting policy has been changed to conform with SSAP 11 (revised) Foreign currency translation and the effect of such change to the accounts for the year is not material.

(n) Retirement benefit costs

The Group contributes to defined contribution retirement benefit schemes which are available to employees. The assets of the schemes are held separately from those of the Group in independently administered funds. The Group's contributions to these schemes are expensed as incurred and may be reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions.

(o) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where a provision is expected to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Restructuring provisions mainly comprise lease termination penalties and employee termination payments, and are recognised in the period in which the Group becomes legally or constructively committed to payment. Employee termination benefits are recognised only after either an agreement is in place with the appropriate employee representatives specifying the terms of redundancy and the number of employees affected, or after individual employees have been advised of the specific terms. Costs related to the ongoing activities of the Group are not provided in advance. Any fixed assets that are no longer required for their original use are transferred to current assets and carried at the lower of the carrying amount or estimated net realisable value.

(p) Deferred taxation

Deferred taxation is provided at the current rate of taxation under the liability method in respect of material timing differences between profit as computed for taxation purposes and profit as stated in the financial statements to the extent that a liability or an asset is expected to be payable or recoverable in the foreseeable future.

1. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

(q) Revenue recognition

Sales of construction materials are recognised when the goods are delivered and title is transferred to customers.

Rental income net of any incentive given to the lessee is recognised over the periods of the respective leases on a straight-line basis.

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

Dividend income is recognised when the right to receive payment is certain.

(r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. All other borrowing costs are charged to the profit and loss statement when they are incurred.

(s) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand, amounts repayable on demand from banks and financial institutions within three months from the date of placement, less advances from banks and financial institutions repayable within three months from the date of advance.

2. SEGMENT INFORMATION

The Group is principally engaged in the manufacture, sale and distribution of construction materials. There is no other significant identifiable separate business. In accordance with the Group's internal financial reporting and operating activities, the primary reporting is by geographical segments and a separate business segment is not relevant. Segment assets consist primarily of fixed assets, other non-current assets, inventories, debtors and other receivables, and mainly exclude investments. Segment liabilities comprise mainly creditors and accruals. Sales, assets and liabilities are based on the country in which the customers are located.

A summary of the geographical segments is set out as follows:

Year ended 31st December 2001

	Hong Kong HK\$'000	Mainland China HK\$'000	Total HK\$'000
Turnover	721,075	361,540	1,082,615
Other revenues	48,117	867	48,984
Operating profit	139,926	9,120	149,046
Finance costs			(16,929)
Share of profits less losses of			
Jointly controlled entities	(157)	2,095	1,938
Associated companies	370	(6,380)	(6,010)
Profit before taxation			128,045
Taxation			(14,410)
Profit after taxation			113,635
Minority interests	1	(835)	(834)
Profit attributable to shareholders			112,801
Segment assets	921,741	262,771	1,184,512
Jointly controlled entities	1,297	176,521	177,818
Associated companies	14,738	71,295	86,033
Common assets			613,726
Total assets			2,062,089
Segment liabilities	175,608	93,285	268,893
Minority interests	87,676	37,871	125,547
Common liabilities			310,017
Total liabilities			704,457
Capital expenditure	62,217	18,279	80,496
Depreciation	56,524	18,097	74,621
Amortisation	11,815	—	11,815

2. SEGMENT INFORMATION (Cont'd)

Year ended 31st December 2000

	Hong Kong <i>HK\$'000</i>	Mainland China <i>HK\$'000</i>	Total <i>HK\$'000</i>
Turnover	844,965	248,556	1,093,521
Other revenues	54,504	959	55,463
Operating profit/(loss)	243,668	(24,769)	218,899
Finance costs			(24,077)
Share of profits less losses of			
Jointly controlled entities	(894)	841	(53)
Associated companies	(4,552)	—	(4,552)
Profit before taxation			190,217
Taxation			(23,565)
Profit after taxation			166,652
Minority interests	5	(381)	(376)
Profit attributable to shareholders			166,276
Segment assets	965,614	271,794	1,237,408
Jointly controlled entities	1,257	175,529	176,786
Associated companies	23,701	57,169	80,870
Common assets			526,387
Total assets			2,021,451
Segment liabilities	197,841	98,975	296,816
Minority interests	75,449	53,094	128,543
Common liabilities			319,284
Total liabilities			744,643
Capital expenditure	67,963	16,329	84,292
Depreciation	52,531	45,021	97,552
Amortisation	17,532	4,924	22,456
Write-off of pre-operating expenses	1,187	5,199	6,386
Write-off of other deferred expenditure	3,449	6,943	10,392

3. TURNOVER AND OTHER REVENUES

	2001 HK\$'000	2000 HK\$'000
Turnover		
Sales of construction materials	<u>1,082,615</u>	<u>1,093,521</u>
Other revenues		
Rental income	11,963	11,343
Interest income from:		
Listed investments	—	570
Unlisted investments (note 32(b))	25,415	30,603
Bank deposits	9,688	11,116
Deferred receivable	<u>1,918</u>	<u>1,831</u>
	<u>48,984</u>	<u>55,463</u>
Total revenues	<u><u>1,131,599</u></u>	<u><u>1,148,984</u></u>

4. OPERATING PROFIT

	2001 HK\$'000	2000 HK\$'000
Operating profit is stated after crediting:		
Profit on disposal of listed investments	6,583	1,519
Amortisation of negative goodwill	632	—
and after charging:		
Amortisation:		
Quarry site development	1,494	5,173
Overburden removal costs	10,321	10,322
Pre-operating expenses and other deferred expenditure	—	6,961
Depreciation:		
Owned fixed assets	74,334	78,405
Leased fixed assets	287	307
Additional provision for fixed assets	—	18,840
Operating lease rental for land and buildings	18,808	16,238
Royalty	4,944	5,846
Write-off of pre-operating expenses	—	6,386
Write-off of other deferred expenditure	—	10,392
Auditors' remuneration	1,086	1,163
Loss on disposal of fixed assets	1,792	724
Cost of inventories sold	778,444	700,756
Staff costs, including directors' remuneration	148,405	139,892
Unrealised loss on long-term investments	3,850	—
Revaluation deficit of investment properties	2,000	6,036

5. FINANCE COSTS

	2001 HK\$'000	2000 HK\$'000
Interest expenses		
Bank loans and overdrafts	16,766	23,679
Finance lease obligations wholly payable within five years	163	398
	16,929	24,077

6. DIRECTORS' REMUNERATION

	2001 HK\$'000	2000 HK\$'000
Fees	490	450
Salaries and other emoluments	2,600	3,113
Discretionary bonuses	—	245
Retirement benefits	158	162
	<u>3,248</u>	<u>3,970</u>

The emoluments of individual directors of the Company fell within the following bands:

	Number of Directors	
	2001	2000
Nil — HK\$1,000,000	7	7
HK\$1,000,001 — HK\$1,500,000	1	—
HK\$1,500,001 — HK\$2,000,000	1	1
HK\$2,000,001 — HK\$2,500,000	—	1
	<u>9</u>	<u>9</u>

Fees paid to independent non-executive directors amounted to HK\$240,000 (2000: HK\$150,000) and no other emoluments were paid.

No options were granted to or exercised by the directors during the year (2000: nil).

7. MANAGEMENT REMUNERATION

The five individuals whose emoluments were the highest in the Group for the year include one (2000: two) directors whose emoluments are reflected in the analysis above. The emoluments of remaining four (2000: three) individuals are as follows:

	2001 HK\$'000	2000 HK\$'000
Salaries and other emoluments	6,438	4,682
Discretionary bonuses	—	536
Retirement benefits	373	294
	<u>6,811</u>	<u>5,512</u>

7. MANAGEMENT REMUNERATION (Cont'd)

The emoluments of these individuals fell within the following bands:

	Number of employees	
	2001	2000
Nil — HK\$1,000,000	—	—
HK\$1,000,001 — HK\$1,500,000	2	—
HK\$1,500,001 — HK\$2,000,000	1	3
HK\$2,000,001 — HK\$2,500,000	1	—
	<u>4</u>	<u>3</u>

8. RETIREMENT BENEFIT SCHEMES

The Group operates various retirement benefits schemes such as Mandatory Provident Fund (MPF) Scheme and Occupational Retirement Scheme Ordinance (ORSO) Scheme for our employees depending on circumstance. The Group makes monthly contributions to the MPF Scheme equal to 5% of the employee's relevant income in compliance with the legislative requirement. The Group, where applicable, makes monthly top up contributions to the ORSO Scheme at a rate equal to 5% to 10% of the employee's basic salary minus the Group's mandatory contributions in respect of the relevant month to the MPF Scheme.

Registered in accordance with the relevant statutory requirements, the assets of the MPF and ORSO Schemes are held separately from those of the Group in independently administrated funds. The Group's contributions to the ORSO scheme are expended as incurred and may be reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The Group also contributes to retirement plans for its overseas employees at a percentage in compliance with the requirements of the respective overseas authorities.

The retirement benefits scheme cost charged to the profit and loss statement during the year ended 31st December 2001 represents contributions paid and payable by the Group to the schemes and amounted to HK\$8,745,000 (2000: HK\$6,617,000) less forfeitures of HK\$579,000 (2000: HK\$1,170,000), leaving HK\$36,000 (2000: HK\$100,000) available at the year end to reduce future contributions.

9. TAXATION

	2001 HK\$'000	2000 HK\$'000
Company and subsidiaries		
Hong Kong profits tax	12,917	21,994
Overprovision in prior years	(1,054)	(1,394)
Mainland China profits tax	2,576	751
Deferred taxation (note 27(a))	(708)	1,541
	<u>13,731</u>	<u>22,892</u>
Jointly controlled entities		
Mainland China profits tax	161	167
Associated companies		
Hong Kong profits tax	<u>518</u>	<u>506</u>
	<u>14,410</u>	<u>23,565</u>

Hong Kong profits tax has been provided at the rate of 16% (2000: 16%) on the estimated assessable profits for the year after setting off available taxation losses brought forward.

Taxation assessable on profits generated outside Hong Kong has been provided at the rates of taxation prevailing in the countries in which those profits arose.

There was no material unprovided deferred taxation for the year.

10. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the financial statements of the Company to the extent of HK\$27,867,000 (2000: HK\$130,649,000).

11. DIVIDENDS

	2001 HK\$'000	2000 HK\$'000
Interim scrip dividend with a cash option of 1.5 cents (2000: 2.5 cents) per share	17,910	28,090
Proposed final scrip dividend with a cash option of 2.5 cents (2000: 4 cents) per share	<u>30,420</u>	<u>46,066</u>
	<u>48,330</u>	<u>74,156</u>

The dividends have been partially settled by cash as follows:

Interim	8,797	13,967
Final	<u>—</u>	<u>23,270</u>
	<u>8,797</u>	<u>37,237</u>

The Board of Directors recommend a final scrip dividend with a cash option of 2.5 cents (2000: 4 cents) per share. This dividend will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2002.

12. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to shareholders of HK\$112,801,000 (2000: HK\$166,276,000) and the weighted average number of 1,176,638,000 shares (2000: 1,097,402,000 shares) in issue during the year.

The diluted earnings per share is not presented as the exercise of the share options outstanding as at 31st December 2001 would not have a dilutive effect on the earnings per share.

13. FIXED ASSETS

Group

	Leasehold land and buildings HK\$'000	Investment properties HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Other fixed assets HK\$'000	Total HK\$'000
Cost or valuation						
At 31st December 2000	336,500	44,000	36,260	602,914	153,862	1,173,536
Additions	—	—	719	23,832	19,532	44,083
Disposals	—	—	—	(22,951)	(5,916)	(28,867)
Reclassification	(1,967)	—	—	1,967	—	—
Revaluation	—	(2,000)	—	—	—	(2,000)
At 31st December 2001	334,533	42,000	36,979	605,762	167,478	1,186,752
Accumulated depreciation						
At 31st December 2000	26,650	—	20,054	310,043	105,503	462,250
Charge for the year	6,920	—	2,008	51,883	13,810	74,621
Disposals	—	—	—	(20,481)	(5,136)	(25,617)
Reclassification	(496)	—	—	496	—	—
At 31st December 2001	33,074	—	22,062	341,941	114,177	511,254
Net book value						
At 31st December 2001	301,459	42,000	14,917	263,821	53,301	675,498
At 31st December 2000	309,850	44,000	16,206	292,871	48,359	711,286

- (a) Leasehold land and buildings are stated at cost or valuation less depreciation as detailed in note 14. Investment properties held under medium term leases in Hong Kong were valued at 31st December 2001 on an open market value basis by CB Richard Ellis Limited, independent professional valuers.
- (b) Land and buildings and plant and machinery with net book values of HK\$242,643,000 (2000: HK\$247,981,000) and HK\$111,398,000 (2000: HK\$124,998,000) respectively were pledged to secure banking facilities.
- (c) Other fixed assets comprise barges, furniture and equipment and motor vehicles.
- (d) The aggregate net book values of assets held under finance leases at 31st December 2001 were HK\$72,000 (2000: HK\$359,000).
- (e) Apart from the properties mentioned under (a) above, all other assets are carried at cost.

14. LEASEHOLD LAND AND BUILDINGS

Leasehold land and buildings are held under medium term leases as follows:

	Hong Kong HK\$'000	Outside Hong Kong HK\$'000	2001 Total HK\$'000	2000 Total HK\$'000
At cost	296,935	9,598	306,533	308,500
At professional valuation 1990	28,000	—	28,000	28,000
	<u>324,935</u>	<u>9,598</u>	<u>334,533</u>	<u>336,500</u>

Certain land and buildings in Hong Kong were revalued as at 31st March 1990 on an open market basis by Jones Lang LaSalle, independent professional valuers. Subsequent revaluations of this property are not required to be made in accordance with paragraph 80 of Hong Kong Statement of Standard Accounting Practice 17 — Property, Plant and Equipment. Had this property been carried at cost, its carrying amount would have been HK\$565,000 (2000: HK\$578,000).

15. SUBSIDIARIES

	Company	
	2001 HK\$'000	2000 HK\$'000
Unlisted shares, at cost	1	1
Amounts payable	(1,002,940)	(711,054)
Amounts receivable	<u>1,622,453</u>	<u>1,485,452</u>
	619,514	774,399
Loans receivable	<u>300,556</u>	<u>300,556</u>
	920,070	1,074,955
Provision for diminution in value	<u>(16,392)</u>	<u>(16,392)</u>
	<u>903,678</u>	<u>1,058,563</u>

The amounts receivable and payable are unsecured, interest free and have no fixed terms of repayment. Loans receivable are unsecured, carry interest at prevailing market interest rate and have no fixed terms of repayment.

Details of the subsidiaries which, in the opinion of the directors, materially affect the results or net assets of the Group are shown in note 35(a).

16. JOINTLY CONTROLLED ENTITIES

	Group	
	2001	2000
	HK\$'000	HK\$'000
Share of net assets	92,473	91,079
Amounts receivable	85,345	85,707
	177,818	176,786

The amounts receivable are unsecured, interest free and have no fixed terms of repayment.

Details of jointly controlled entities which, in the opinion of the directors, materially affect the results or net assets of the Group are shown in note 35(b).

17. ASSOCIATED COMPANIES

	Group	
	2001	2000
	HK\$'000	HK\$'000
Share of net assets	86,033	71,012
Amounts receivable	—	9,858
	86,033	80,870

The amounts receivable are unsecured, interest free and have no fixed terms of repayment.

Details of associated companies which, in the opinion of the directors, materially affect the results or net assets of the Group are shown in note 35(c).

18. OTHER NON-CURRENT ASSETS

	Group	
	2001	2000
	HK\$'000	HK\$'000
Deferred expenditure		
Overburden removal costs	94,077	69,301
Quarry site development	7,282	7,460
	101,359	76,761
Deferred receivable (note a)	9,127	12,351
Long-term investments, unlisted	31,223	9,672
	141,709	98,784

18. OTHER NON-CURRENT ASSETS (Cont'd)

- (a) Deferred receivable represents advances to various contractors for the delivery of concrete to customers. The advances are secured by the vehicles operated by the contractors, carry interest at prevailing market rate and are repayable by monthly instalments up to 2007. The current portion of the receivable is included under other receivable.

19. INVENTORIES

	Group	
	2001	2000
	HK\$'000	HK\$'000
Aggregates and sand	26,760	12,964
Concrete pipes and blocks	4,802	6,704
Cement	4,492	8,159
Spare parts	23,907	24,380
Consumables	3,118	3,365
	63,079	55,572

At 31st December 2001, the carrying amounts of inventories stated at net realisable value amounted to HK\$1,184,000 (2000: HK\$1,880,000).

20. DEBTORS AND PREPAYMENTS

	Group		Company	
	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Trade debtors	250,022	269,560	—	—
Other receivable	39,840	52,730	—	—
Prepayments	45,587	59,148	9,117	8,831
	335,449	381,438	9,117	8,831

The Group has established credit policies which follow local industry practice. The Group normally allows an approved credit period ranging from 30 to 60 days for customers in Hong Kong and 120 to 180 days for customers in Mainland China. These are subject to periodic review by management.

20. DEBTORS AND PREPAYMENTS (Cont'd)

The ageing analysis of the Group's trade debtors based on the dates of the invoices and net of provision for bad and doubtful debts is as follows:

	2001 HK\$'000	2000 HK\$'000
Within one month	94,155	114,375
Two to three months	110,361	97,913
Four to six months	31,270	23,468
Over six months	14,236	33,804
	<u>250,022</u>	<u>269,560</u>

21. OTHER INVESTMENTS

	Group		Company	
	2001 HK\$'000	2000 HK\$'000	2001 HK\$'000	2000 HK\$'000
Floating rate notes, at cost	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>

The floating rate notes were issued by the Company's ultimate holding company and carry interest at 4.5% per annum above six-month HIBOR. The notes are fully redeemable on 23rd September 2002. The Company is entitled to transfer the notes after 23rd March 2000 with the approval of the Board of Directors of the ultimate holding company.

22. CREDITORS AND ACCRUALS

	Group		Company	
	2001 HK\$'000	2000 HK\$'000	2001 HK\$'000	2000 HK\$'000
Trade creditors	93,642	96,736	—	—
Other creditors	52,784	56,878	—	—
Accrued operating expenses	112,107	134,210	1,095	3,085
Deposits received	<u>8,329</u>	<u>8,992</u>	<u>—</u>	<u>—</u>
	<u>266,862</u>	<u>296,816</u>	<u>1,095</u>	<u>3,085</u>

22. CREDITORS AND ACCRUALS (Cont'd)

At 31st December 2001, the ageing analysis of the Group's trade creditors based on the dates of the invoices is as follows:

	2001 HK\$'000	2000 HK\$'000
Within one month	44,186	43,703
Two to three months	27,560	28,979
Four to six months	14,836	14,800
Over six months	7,060	9,254
	<u>93,642</u>	<u>96,736</u>

23. SHARE CAPITAL

	2001		2000	
	Ordinary Shares of HK\$0.10 each	HK\$'000	Ordinary Shares of HK\$0.10 each	HK\$'000
Authorised:				
At beginning of year	2,888,000,000	288,800	2,888,000,000	288,800
Increase during the year	1,000,000,000	100,000	—	—
At end of year	<u>3,888,000,000</u>	<u>388,800</u>	<u>2,888,000,000</u>	<u>288,800</u>
Issued and fully paid:				
At beginning of year	1,151,656,667	115,166	1,070,841,458	107,084
Exercise of share options	100,000	10	60,000	6
Issued as scrip dividends	64,983,737	6,498	80,755,209	8,076
At end of year	<u>1,216,740,404</u>	<u>121,674</u>	<u>1,151,656,667</u>	<u>115,166</u>

24. SHARE OPTION SCHEME

The Company operates a share option scheme under which options to subscribe for ordinary shares in the Company are granted to selected executives. During the year, no new options were granted and options to subscribe for 100,000 shares (2000: 60,000 shares) were exercised. At 31st December 2001, outstanding options granted under the scheme are as follows:

Exercise period	Option price per share HK\$	Number of shares
20th May 1999 to 19th May 2008	0.5333	13,162,000
30th December 2000 to 29th December 2009	0.5216	26,232,000
		<u>39,394,000</u>

25. RESERVES
Group

	Capital reserve HK\$'000	Share premium HK\$'000	Land and buildings revaluation reserve HK\$'000	Capital redemption reserve HK\$'000	Revenue reserves HK\$'000	Total HK\$'000
At 31st December 2000						
As previously reported	4,259	554,083	27,363	70	529,801	1,115,576
Prior year adjustment (note 1)	136	—	—	—	45,930	46,066
As restated	4,395	554,083	27,363	70	575,731	1,161,642
Changes in exchange rates	—	—	—	—	38	38
Premium on shares issued	—	42	—	—	—	42
Share issued as scrip dividends	—	(6,498)	—	—	31,909	25,411
Profit for the year	—	—	—	—	112,801	112,801
2000 final dividend	—	—	—	—	(46,066)	(46,066)
2001 interim dividend	—	—	—	—	(17,910)	(17,910)
At 31st December 2001	4,395	547,627	27,363	70	656,503	1,235,958
Company and subsidiaries	4,395	547,627	27,363	70	696,399	1,275,854
Jointly controlled entities	—	—	—	—	(32,203)	(32,203)
Associated companies	—	—	—	—	(7,693)	(7,693)
	4,395	547,627	27,363	70	656,503	1,235,958
At 31st December 1999						
As previously reported	(136)	562,133	27,363	70	394,079	983,509
Prior year adjustment (note 1)	136	—	—	—	43,153	43,289
As restated	—	562,133	27,363	70	437,232	1,026,798
Changes in exchange rates	—	—	—	—	736	736
Acquisition of additional interest in a subsidiary	4,395	—	—	—	—	4,395
Premium on shares issued	—	26	—	—	—	26
Share issued as scrip dividends	—	(8,076)	—	—	42,866	34,790
Profit for the year	—	—	—	—	166,276	166,276
1999 final dividend	—	—	—	—	(43,289)	(43,289)
2000 interim dividend	—	—	—	—	(28,090)	(28,090)
At 31st December 2000	4,395	554,083	27,363	70	575,731	1,161,642
Company and subsidiaries	4,395	554,083	27,363	70	610,494	1,196,405
Jointly controlled entities	—	—	—	—	(33,597)	(33,597)
Associated companies	—	—	—	—	(1,166)	(1,166)
	4,395	554,083	27,363	70	575,731	1,161,642

25. RESERVES (Cont'd)
Company

	Share premium HK\$'000	Capital Reserve HK\$'000	Capital redemption reserve HK\$'000	Revenue reserves HK\$'000	Total HK\$'000
At 31st December 2000					
As previously reported	554,083	235,239	70	394,472	1,183,864
Prior year adjustment (note 1)	—	—	—	46,066	46,066
As restated	554,083	235,239	70	440,538	1,229,930
Share issued as scrip dividends	(6,498)	—	—	31,909	25,411
Premium on shares issued	42	—	—	—	42
Profit for the year	—	—	—	27,867	27,867
2000 final dividend	—	—	—	(46,066)	(46,066)
2001 interim dividend	—	—	—	(17,910)	(17,910)
At 31st December 2001	547,627	235,239	70	436,338	1,219,274
At 31st December 1999					
As previously reported	562,133	235,239	70	295,113	1,092,555
Prior year adjustment (note 1)	—	—	—	43,289	43,289
As restated	562,133	235,239	70	338,402	1,135,844
Share issued as scrip dividends	(8,076)	—	—	42,866	34,790
Premium on shares issued	26	—	—	—	26
Profit for the year	—	—	—	130,649	130,649
1999 final dividend	—	—	—	(43,289)	(43,289)
2000 interim dividend	—	—	—	(28,090)	(28,090)
At 31st December 2000	554,083	235,239	70	440,538	1,229,930

At 31st December 2001, reserves of the Company available for distribution to shareholders amount to HK\$436,338,000 (2000: HK\$440,538,000).

26. LONG-TERM LIABILITIES

	Group		Company	
	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Bank loans				
— secured	62,167	154,000	29,167	87,500
— unsecured	38,750	58,750	38,750	58,750
Obligations under finance leases				
wholly payable within 5 years	638	2,112	—	—
	101,555	214,862	67,917	146,250
Current portion included in current liabilities	(101,555)	(128,299)	(67,917)	(93,333)
	—	86,563	—	52,917

(a) The bank loans are repayable within the following periods:

	Group		Company	
	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within one year	100,917	126,833	67,917	93,333
Between one to two years	—	85,917	—	52,917
	100,917	212,750	67,917	146,250

(b) Obligations under finance leases of the Group are payable within the following periods:

	Present value		Minimum payment	
	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within one year	638	1,466	644	1,555
Between one to two years	—	646	—	652
	638	2,112	644	2,207

27. NON-CURRENT LIABILITIES

	Group	
	2001	2000
	HK\$'000	HK\$'000
Deferred taxation (note a)	19,638	20,346
Negative goodwill (note b)	2,031	—
	21,669	20,346

(a) Movements of deferred taxation during the year were as follows:

	Group	
	2001	2000
	HK\$'000	HK\$'000
At beginning of year	20,346	18,805
Transfer (to)/from profit and loss statement (note 9)	(708)	1,541
At end of year	19,638	20,346
Provided in the financial statements in respect of:		
Accelerated depreciation allowances	41,817	41,306
Other timing differences	(22,179)	(20,960)
	19,638	20,346

The revaluation surplus or deficit arising from the revaluation of the Group's land and buildings and investment property does not constitute timing differences for Hong Kong profits tax purposes because they are held for the long-term and any gains or losses would not be subject to Hong Kong profits tax.

There is no other material unprovided deferred taxation at the balance sheet date.

(b) Negative goodwill

	Group	
	2001	2000
	HK\$'000	HK\$'000
Arising on acquisition of additional interest in a subsidiary	2,663	—
Amortisation	(632)	—
	2,031	—

28. NOTES TO CONSOLIDATED CASH FLOW STATEMENT
(a) Reconciliation of operating profit to cash generated from operations

	2001 <i>HK\$'000</i>	2000 <i>HK\$'000</i>
Operating profit	149,046	218,899
Depreciation	74,621	78,712
Additional provision for fixed assets	—	18,840
Profit on disposal of investments	(6,583)	—
Unrealised loss on long-term investments	3,850	—
Revaluation deficit of investment properties	2,000	6,036
Interest income	(37,021)	(42,289)
Loss on disposal of fixed assets	1,792	724
Amortisation of deferred expenditure	11,815	22,456
Amortisation of negative goodwill	(632)	—
Write-off of pre-operating expenses	—	6,386
Write-off of other deferred expenditure	—	10,392
	<hr/>	<hr/>
Operating profit before working capital changes	198,888	320,156
Increase in inventories	(7,507)	(2,126)
Decrease/(increase) in debtors and prepayments	53,594	(12,975)
Decrease in other investments	—	10,175
Decrease in creditors and accruals	(29,954)	(3,549)
	<hr/>	<hr/>
Cash generated from operations	<u>215,021</u>	<u>311,681</u>

28. NOTES TO CONSOLIDATED CASH FLOW STATEMENT (Cont'd)

(b) Analysis of changes in financing

	Share capital and share premium HK\$'000	Loans and finance lease obligations HK\$'000	Minority interests HK\$'000	Total HK\$'000
As 31st December 2000	669,249	290,222	128,543	1,088,014
Changes in exchange rates	—	—	(95)	(95)
Purchase of additional interest in a subsidiary	—	—	(13,994)	(13,994)
Minority interests' share of profit	—	—	834	834
Cash inflow/(outflow) from financing	52	(4,977)	10,259	5,334
At 31st December 2001	<u>669,301</u>	<u>285,245</u>	<u>125,547</u>	<u>1,080,093</u>
As 31st December 1999	669,217	332,869	132,208	1,134,294
Changes in exchange rates	—	75	188	263
Purchase of additional interest in a subsidiary	—	—	(8,256)	(8,256)
Minority interests' share of profit	—	—	376	376
Cash inflow/(outflow) from financing	32	(42,722)	4,027	(38,663)
At 31st December 2000	<u>669,249</u>	<u>290,222</u>	<u>128,543</u>	<u>1,088,014</u>

29. CAPITAL COMMITMENTS

	Group	
	2001 HK\$'000	2000 HK\$'000
Contracted but not provided for	<u>38,531</u>	<u>4,038</u>

In addition, the Group has undertaken to invest HK\$78,325,000 (2000: HK\$99,929,000) in certain investee companies under associated companies (note 17) which are engaged in high technology projects.

30. OPERATING LEASE COMMITMENTS

The future aggregate minimum lease rental expense in respect of land and buildings under non-cancellable operating leases are payable in the following periods:

	Group	
	2001	2000
	HK\$'000	HK\$'000
First year	6,879	7,433
Second to fifth years inclusive	22,124	23,471
After the fifth year	39,541	44,281
	<u>68,544</u>	<u>75,185</u>

31. OPERATING LEASE RENTAL RECEIVABLE

The future aggregate minimum lease rental income in respect of land and buildings under non-cancellable operating leases are payable in the following periods:

	Group	
	2001	2000
	HK\$'000	HK\$'000
First year	11,844	11,393
Second to fifth years inclusive	47,742	48,061
After the fifth year	65,864	77,390
	<u>125,450</u>	<u>136,844</u>

32. RELATED PARTY TRANSACTIONS

Significant related party transactions carried out in the normal course of the Group's business activities during the year are as follows:

- Sales of aggregates to an associated company amounted to HK\$24,620,000 (2000: HK\$23,473,000). These were made at prices and terms no less than those charged to other third party customers of the Group.
- The Company receives interest income of HK\$25,415,000 (2000: HK\$30,603,000) in respect of the floating rate notes as detailed in note 21.
- Rental income from an associated company amounted to HK\$9,557,000 (2000: HK\$9,192,000) based on the terms of rental agreement between the parties.

33. CONTINGENT LIABILITIES

The Company has executed guarantees in favour of banks in respect of facilities granted to subsidiaries amounting to HK\$295,893,000 (2000: HK\$199,100,000). At 31st December 2001, the facilities utilised amounted to HK\$205,283,000 (2000: HK\$119,500,000).

The Company had executed an indemnity to its ultimate holding company for guarantees in respect of the banking facilities granted to a subsidiary amounting to HK\$76,200,000 (2000: HK\$63,500,000). At 31st December 2001, facilities utilised amounted to HK\$76,200,000 (2000: HK\$63,500,000). This guarantee from the ultimate holding company expired on 31st December 2001 and was replaced by a separate guarantee issued by the Company effective from 1st January 2002.

34. HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

At 31st December 2001, the Company was a 67% owned subsidiary of Sutimar Enterprises Limited, incorporated in the British Virgin Islands, which is a wholly owned subsidiary of K. Wah International Holdings Limited, incorporated in Bermuda.

The directors regard K. Wah International Holdings Limited as being the ultimate holding company.

35. PRINCIPAL SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES

The Directors are of the opinion that a complete list of the particulars of all the subsidiaries, jointly controlled entities and associated companies will be of excessive length and therefore the following list contains only the particulars of the subsidiaries, jointly controlled entities and associated companies which materially affect the results or assets of the Group.

(a) Subsidiaries

Name of Company	Principal place of operation	Number of ordinary shares	Issued share capital		Par value per share HK\$	Percentage of equity held by		Principal activities
			Number of non-voting deferred shares			the Company	the Group	
Incorporated in Hong Kong								
Barichon Limited	Hong Kong	3,000,000	—		1	—	99.93	Sale and distribution of concrete pipes
Chelsfield Limited	Hong Kong	2,111,192	—		10	—	100	Investment holding
Citifair Asia Limited	Hong Kong	10	—		1	—	100	Investment holding
Construction Materials Limited	Hong Kong	30,000	—		10	—	100	Sale of aggregates
Doran (Hong Kong) Limited	Hong Kong	1,000	—		10	—	100	Sale and distribution of concrete pipes
K. Wah Block Company Limited	Zhuhai	7,500	—		10	—	100	Manufacture of precast concrete products
K. Wah Concrete Company Limited	Hong Kong	2	1,000		100	—	100	Manufacture, sale and distribution of ready-mixed concrete

35. PRINCIPAL SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES
(Cont'd)
(a) Subsidiaries (Cont'd)

Name of Company	Principal place of operation	Number of ordinary shares	Issued share capital		Par value per share HK\$	Percentage of equity held by the		Principal activities
			Number of non-voting deferred shares			Company	Group	
K. Wah Construction Materials (Hong Kong) Limited	Hong Kong	2	2		10	—	100	Provision of management services
K. Wah Construction Products Limited	Hong Kong	2	1,000		100	—	100	Manufacture, sale and distribution of concrete products
K. Wah Materials Limited	Hong Kong	28,080,002	—		1	—	100	Trading
K. Wah Quarry Company Limited	Hong Kong	2	100,000		100	—	100	Sale of aggregates
K. Wah Stones (Zhu Hai) Company Limited	Zhuhai	2	1,000		10	—	100	Quarrying
K. Wah Trading and Development Limited	Hong Kong	2	2		10	—	100	Trading
KWP Quarry Co. Limited	Hong Kong	9,000,000	—		1	—	63.5	Quarrying
Lightway Limited	Hong Kong	2	2		1	—	100	Property investment
Master Target Limited	Hong Kong	2	—		1	—	100	Investment holding
Quanturn Limited	Hong Kong	2	—		1	—	100	Equipment leasing
Rainbow Country Limited	Hong Kong	2	—		1	—	100	Investment holding
Rainbow Mark Limited	Hong Kong	100	—		1	—	95	Investment holding
Rainbow States Limited	Hong Kong	2	—		1	—	100	Investment holding
Star Home Limited	Hong Kong	2	—		1	—	100	Investment holding
Star Route Limited	Hong Kong	2	—		1	—	100	Investment holding
Triconville Investments Limited	Hong Kong	10	—		1	—	100	Investment holding

35. PRINCIPAL SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES

(Cont'd)

(a) Subsidiaries (Cont'd)

Name of Company	Principal place of operation	Registered capital		Percentage of equity held by the Company		Principal activities	
		HK\$	US\$	RMB	Group		
Incorporated in Mainland China							
Doran Construction Products (Shenzhen) Co., Ltd.	Shenzhen	10,000,000	—	—	—	100	Manufacture, sale and distribution of concrete pipes
Guangzhou Jiafang Concrete Co., Ltd.	Guangzhou	—	—	11,200,000	—	57	Manufacture, sale and distribution of ready-mixed concrete
K. Wah Construction Products (Shenzhen) Co., Ltd.	Shenzhen	—	1,290,000	—	—	100	Manufacture, sale and distribution of concrete pipes
K. Wah Consultancy (Shanghai) Co., Ltd.	Shanghai	—	350,000	—	—	100	Provision of management services
K. Wah (Huangpi) Quarry Company Limited, Guangzhou	Guangzhou	—	4,900,000	—	—	100	Quarrying
Shanghai Beicai Concrete Co., Ltd.	Shanghai	—	—	31,500,000	—	100	Manufacture, sale and distribution of ready-mixed concrete
Shanghai Ganghui Concrete Co., Ltd.	Shanghai	—	4,000,000	—	—	60	Manufacture, sale and distribution of ready-mixed concrete
Shanghai Jiafu Concrete Co., Ltd.	Shanghai	—	1,400,000	—	—	55	Manufacture, sale and distribution of ready-mixed concrete
Shanghai Jiajian Concrete Co., Ltd.	Shanghai	—	—	17,400,000	—	60	Manufacture, sale and distribution of ready-mixed concrete
Shanghai Jia Shen Concrete Co., Ltd.	Shanghai	—	—	4,400,000	—	100	Manufacture, sale and distribution of ready-mixed concrete

35. PRINCIPAL SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES
(Cont'd)
(a) Subsidiaries (Cont'd)

Name of Company	Principal place of operation	Registered capital			Percentage of equity held by the		Principal activities
		HK\$	US\$	RMB	Company	Group	
Shanghai K. Wah Concrete Co., Ltd.	Shanghai	—	—	10,000,000	—	100	Manufacture, sale and distribution of ready-mixed concrete and provision of quality assurance service
Shanghai Xin Cai Concrete Co., Ltd.	Shanghai	—	2,100,000	—	—	99	Manufacture, sale and distribution of ready-mixed concrete

Name of Company	Principal place of operation	Number of ordinary shares	Issued share capital		Par value per share US\$	Percentage of equity held by the		Principal activities
			Number of non-voting deferred shares	Company		Group		
Incorporated in the British Virgin Islands								
Eternal Profits International Limited	Hong Kong	10	—	1	—	100	Property investment	
Fairlight Investments Limited	Hong Kong	10	—	1	100	—	Investment holding	
High Regard Investments Limited	Hong Kong	20	—	1	—	100	Investment holding	
K. Wah Trading Company Limited	Cook Islands	1	—	1	—	100	Trading	
Latent Developments Limited	Hong Kong	10	—	1	—	100	Investment holding	
Profit Access Investments Limited	Hong Kong	10	—	1	—	100	Investment holding	
Prosperous Fields Limited	Hong Kong	10	—	1	—	100	Investment holding	
Taksin Profits Limited	Hong Kong	17	—	1	—	100	Investment holding	
Woodland Assets Limited	Hong Kong	10	—	1	—	100	Investment holding	

35. PRINCIPAL SUBSIDIARIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES

(Cont'd)

(b) Jointly Controlled Entities

Name of Company	Principal place of operation	Number of ordinary shares	Issued share capital		Percentage of equity held by		Principal activities
			Number of non-voting deferred shares	Par value per share	the Company	the Group	
				HK\$			
Incorporated in Hong Kong							
International Precast Systems Limited	Hong Kong	22,785,000	—	1	—	49.12	Manufacture, sale and distribution of precast concrete products

		Registered capital						
		HK\$	US\$	RMB				
Incorporated in Mainland China								
Guangzhou K. Wah Nanfang Cement Limited	Guangzhou	—	—	100,000,000	—	50	Manufacture, sale and distribution of cement	
Shanghai Bao Jia Concrete Co., Ltd.	Shanghai	—	4,000,000	—	—	50	Manufacture, sale and distribution of ready-mixed concrete	

(c) Associated Companies

Name of Company	Principal place of operation	Number of ordinary shares	Issued share capital		Percentage of equity held by		Principal activities
			Number of non-voting deferred shares	Par value per share	the Company	the Group	
Incorporated in Hong Kong							
Tarmac Asphalt Hong Kong Limited	Hong Kong	1,100,000	—	10	—	20	Manufacture, sale and distribution and laying of asphalt
US\$							
Incorporated in the Cayman Islands							
C-Tech Fund	Shanghai	880	—	1	—	22.73	Venture capital fund in technology business