

Final Results announcement form

Name of listed company : SIIC Medical Science and Technology (Group) Limited

Stock Code : 8018

Year end date : 31st December

Important Note :

This result announcement form only contains extracted information from and should be read in conjunction with the detailed results announcement of the issuer, which can be viewed on GEM website at <http://www.hkgem.com>

	(Audited)	(Audited)
	Consolidated from <u>17/09/1999*</u> to <u>31/12/1999</u>	Pro-forma Combined from <u>01/01/1999</u> to <u>31/12/1999</u>
	HK\$'000	HK\$'000
Turnover		
- Continuing	94, 878	424, 780
- Discontinued	-	-
Operating Profit / (Loss)		
- Continuing	31, 703	112, 001
- Discontinued	-	-
Total Operating Profit / (Loss)	31, 703	112, 001
Share of Profit / (Loss) of Associated Companies	-	-
Share of Profit / (Loss) of Jointly Controlled Entities	4, 545	14, 711
Profit / (Loss) after Taxation & MI	24, 355	71, 483
% Change Over the Last Period	N/A	%
EPS / (LPS) - Basic	8.8 cents	14.6 cents
- Diluted	N/A	N/A
Extraordinary (ETD) Gain / (Loss)	N/A	N/A
Profit / (Loss) after ETD Items	24, 355	71, 483
Final Dividend per Share (specify if with other options)	N/A	N/A
B/C Dates for Final Dividend Payable Date	N/A	N/A
B/C Dates for AGM	04/05/2000	08/05/2000
Other Distribution for Current Period	-	-
B/C Dates for Other Distribution	-	-

(bdi: both days inclusive)

*date of incorporation

Remarks:

Notes:

1. Basic of preparation

The Company was incorporated in the Cayman Islands on 17th September, 1999 under the Companies Law (1998 Revision) of the Cayman Islands and the re-organization of the Group prior to the listing on GEM of the Stock Exchange was completed in November 1999, as such the results under the consolidated basic only reflect the actual results for the period from 17th September, 1999 to 31st December, 1999. The pro forma combined results for the twelve months ended 31st December, 1999, which are provided for information purpose only, have been prepared on a basis as if the current group structure had been in existence since 1st January, 1999. Since the Company was incorporated in 1999, no comparative figures for the last corresponding period are available.

2. Turnover

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers during the period. The principal activities of the Group are the manufacture and sale of Chinese medicine and health food. The major products are Shen Mai Injection, Stomach Recuperation Granules and Qingchunbao Anti-ageing Tablet and the principal markets are Hangzhou, Shanghai and Guangzhou, the Mainland People's Republic of China ("PRC").

3. Profit from operations

During the period, the profit from operations is principally come from Chia Tai Qingchunbao Pharmaceutical Co., Ltd. ("Hangzhou Qingchunbao").

4. Investment income

	Consolidated 17th September, 1999 to 31st December, 1999 HK\$'000	Pro forma combined 1st January, 1999 to 31st December, 1999 HK\$'000
Interest income on application monies received on listing of the Company's shares	11,296	11,296
Other interest income	1,558	3,171
Property rental income	217	1,620
	<u>13,071</u>	<u>16,087</u>

5. Share of profit of a jointly controlled entity

Share of profit of a jointly controlled entity represents share of results of Shanghai Jahwa Joint-Stock Corporation for the period/year.

6. Income tax expenses

	Consolidated 17th September, 1999 to 31st December, 1999 HK\$'000	Pro forma combined 1st January, 1999 to 31st December, 1999 HK\$'000
The charge comprises:		
PRC income tax	4,286	15,921
Deferred taxation	(2,971)	(4,971)
Share of PRC income tax of a jointly controlled entity	1,257	3,267
	<u>2,572</u>	<u>14,217</u>

Pursuant to the relevant laws and regulations in the mainland PRC, the Group's PRC subsidiary and jointly controlled entity are entitled to exemption from PRC income tax for two years commencing from their first profit-making year of operation and thereafter, they are entitled to a 50% relief from PRC income tax for the following three years.

The tax holiday for Hangzhou Qingchunbao has expired. However, pursuant to an approval received from local tax authorities on 16th September, 1998, Hangzhou Qingchunbao was classified as one of the approved "High Technology entities". Accordingly, Hangzhou Qingchunbao is entitled to a preferential PRC income tax rate of 12% for the three years ending 31st December, 2000.

During the year, the jointly controlled entity was in its fourth profitable year and was entitled to a 50% relief from PRC income tax at the applicable tax rate of 27%. Its subsidiaries are, however, subject to PRC income tax calculated at 33%.

The Group had no significant unprovided deferred taxation for the period/year.

7. Earnings per share

The calculation of the basis earnings per share is based on the profit for the period of HK\$24,355,000 and the weighted average of 276,512,622 shares in issue during the period.

The calculation of the pro forma basic earnings per share is based on the pro forma combined profit for the year of HK\$71,483,000 and the pro forma weighted average of 489,068,493 shares in issue during the year.

Signature : _____

Name : Marina Wong

Title : Company Secretary

Responsibility statement

The directors of the Company (the "Directors") as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this results announcement form (the "Information") and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief the Information are accurate and complete in all material respects and not misleading and that there are no other matters the omission of which would make the Information herein inaccurate or misleading. The Directors acknowledge that the Stock Exchange has no responsibility whatsoever with regard to the Information and undertake to indemnify the Exchange against all liability incurred and all losses suffered by the Exchange in connection with or relating to the Information.