

Quarterly Results announcement form

Name of listed company : Sino Biopharmaceutical Limited

Stock code : 8027

Year end date : 31/12/2000

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 the GEM website at <http://www.hkgem.com>

	(* Unaudited)	(* Unaudited)
	Current Period (dd/mm/yy)	Last Corresponding Period (dd/mm/yy)
	from <u>01/01/2000</u> to <u>30/09/2000</u>	from <u>01/01/1999</u> to <u>30/09/1999</u>
	HK\$'000	HK\$'000
Turnover	293,648	211,215
Profit/(Loss) from Operations	231,330	150,568
Finance cost	-989	-2,218
Share of Profit/(Loss) of Associates	N/A	N/A
Share of Profit/(Loss) of Jointly Controlled Entites	N/A	N/A
Profit/(Loss) after Taxation & MI	38,085	22,717
% Change Over the Last Period	67.65	%
EPS / (LPS) - Basic	HK15.8cents	HK9.5cents
- Diluted	N/A	N/A
Extraordinary (ETD) Gain/(Loss)	0	0
Profit (Loss) after ETD Items	38,085	22,717
3rd Q * Dividend per Share (specify if with other options)	N/A	N/A
B/C Dates for 3rd Q* Dividend Payable Date	N/A	N/A
B/C Dates for AGM/SGM	N/A	N/A
Other Distribution for Current Period	N/A	N/A
B/C Dates for Other Distribution	N/A	N/A

* Please delete as appropriate

(bdi: both days inclusive)

Remarks :

For and on behalf of
Sino Biopharmaceutical Limited

Signature :

Name :

Title :

Tse Ping

Chairman

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.

Notes:

(1) Basis of perpatation

The Company was incorporated in the Cayman Islands on 2 February, 2000 as an exempted company with limited liability under the Companies Law (2000 Revision) of the Cayman Islands. Pursuant to a reorganisation scheme to rationalize the structure of the Group in preparation for the public listing of its share in September 2000, the Company became the holding company of the companies now comprising the Group on 19 September, 2000. The trading of the Company's shares on the GEM of the Stock Exchange began on 29 September, 2000.

The Group's results are presented using the following bases:

(a) The unaudited consolidated profit and loss account includes the results of the Company and its subsidiaries for the three months and nine months ended 30 September, 2000.

(b) For information purposes, the unaudited combined profit and loss account include the results of the Company's subsidiaries for the three months and nine months ended 30 September, 1999 on a combined basis as if the current Group structure had been in existence throughout the period.

Although the Group structure did not legally exist until 19 September, 2000, the Directors consider it appropriate to present the unaudited combined profit and loss accounts for the three months and nine months ended 30 September, 1999 on the bases as set out in (b) above since the principal activities of the Group were carried out by those subsidiaries prior to and after the completion of the reorganisation.

(2) Turnover

Turnover represents the invoiced value of goods sold, net of discounts and returns and dividend income. All significant intra-group transactions have been eliminated on consolidation combination.

The Group's turnover arose from the following activities:

For the nine months
ended 30 September

	2000 Unaudited consolidated combined HK\$'000	1999 Unaudited consolidated combined HK\$'000
Sales of goods	293,648	208,215
Dividend income	-	3,000
	-----	-----
Total	293,648	211,215
	=====	=====

(3) Taxation

	For the nine months ended 30 September	
	2000 Unaudited consolidated combined HK\$'000	1999 Unaudited consolidated combined HK\$'000
Hong Kong	-	-
PRC income tax	7,119	3,939
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Total	7,119	3,939
	=====	=====

No Hong Kong profits tax has been provided for the period from 1 January to 30 September, 2000 as there was no assessable profit arising in Hong Kong during the period. (1999: Nil)

PRC income tax is provided at the rates applicable to enterprises in the PRC on the income for statutory reporting purposes, adjusted for income and expenses items which are not assessable or deductible for income tax purposes based on existing PRC income tax regulations, practices and interpretations thereof.

Pursuant to the Income Tax Law of the PRC concerning Foreign Investment Enterprises and Foreign and various local income tax laws (the "Income Tax Laws), joint venture companies are subject to the statutory income tax rate of 33 per cent. (30 per cent. state income taxes plus 3 per cent. local income tax) unless the enterprise is qualified as "High and New Technology Enterprises" or located in specially designated regions or cities for which more favorable effective tax rates apply. CTT is located in a region where preferential tax rates apply and currently is entitled to the benefit of

paying the relevant tax at the rate of 24 per cent. CTF is regarded as a "High and New Technology Enterprise" for which preferential tax rate of 15 per cent. applies. Both CTT and CTF are entitled to an income tax exemption for two years commencing from the first profitable year (after deducting losses carried forward), and a 50 per cent. reduction for the succeeding three years. For the year ending 31 December, 2000, CTF and CTT will be in its fourth and third profitable year respectively and will be subject to an income tax rate of 7.5 per cent. and 12 per cent. respectively.

(4) Dividends

The Board did not recommend the payment of an interim dividend for the period from 1 January to 30 September, 2000. Interim dividend for 1999 represented amounts paid or declared by the Company's subsidiaries to their shareholders before the Group's reorganisation. The rates of dividends and the number of shares ranking for dividends are not presented, as such information is not meaningful with regard to the purpose of this announcement.

(5) Earnings per share

The calculation of the basic earnings per share is based on profit for the nine months ended 30 September, 2000 of HK\$38,085,000 and the weighted average of 241,304,348 ordinary shares in issue during the period. The basic earnings per share in respect of the and nine months ended 30 September, 1999 is based on profit of HK\$22,717,000 and on the assumption that 240,000,000 shares had been in issue throughout the period.

Diluted earnings per share for the period has not been calculated because no significant dilutive potential ordinary shares existed during the period.