

## Quarterly Results announcement form

Name of listed company : Smartech Digital Manufacturing Holdings Limited

Stock code : 8068

Year end date : 31/12/2000

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

	(Unaudited)	(Unaudited)
	Current Period	Last Corresponding Period
	from <u>01/01/2000</u>	from <u>01/01/1999</u>
	to <u>30/06/2000</u>	to <u>30/06/1999</u>
	<u>HK\$'000</u>	<u>HK\$'000</u>
Turnover		
- Continuing	49,465	55,989
- Discontinued	0	0
Operating Profit/(Loss)		
- Continuing	8,448	11,903
- Discontinued	0	0
Total Operating Profit/(Loss)	8,448	11,903
Share of Profit/(Loss) of		
Associated Companies	0	0
Share of Profit/(Loss) of		
Jointly Controlled Entities	0	0
Profit/(Loss) after Taxation & MI	7,004	9,606
% Change Over the Last Period	-27.09	%
EPS / (LPS) - Basic	4.32 cents	6.40 cents
- Diluted	4.20 cents	N/A
Extraordinary (ETD) Gain/(Loss)	0	0
Profit (Loss) after ETD Items	7,004	9,606
2nd Q Dividend per Share	0	N/A
(specify if with other options)	N/A	N/A
B/C Dates for 2nd Q Dividend	N/A to	N/A bdi.
Payable Date	N/A	
B/C Dates for AGM/SGM	N/A to	N/A bdi.
Other Distribution for Current Period	NIL	
B/C Dates for Other Distribution	N/A to	N/A bdi.
* Please delete as appropriate		(bdi: both days inclusive)

Remarks :

For and on behalf of  
Smartech Digital Manufacturing Holdings Limited

Signature : \_\_\_\_\_  
Name : Leung Yuet Fung  
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.

## 1. Basis of preparation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 12th November 1999 under the Companies Law of the Cayman Islands. The Company's share were listed on GEM of the Stock Exchange on 18th May 2000. The reorganisation of the Group prior to the listing on GEM was completed on 4th May 2000. The Group resulting from the Group Reorganisation is regarded as a continuing entity. Accordingly, the consolidated results of the Group for the six months and three months ended 30th June 2000 have been prepared on the merger accounting basis as if the Company had always been the holding company of the Group. The combined results for the six months and three months ended 30th June 1999 have been prepared on a basis as if the current group structure had been in existence since 1st January 1999 or since their respective dates of incorporation where there is a shorter period.

All intra-group transactions have been properly eliminated for the current reporting period and for the last corresponding period.

The principal accounting policies adopted in preparing the unaudited consolidated results conform with Statements of Standard Accounting Practice issued by the Hong Kong Society of Accountants.

## 2. Earnings per Share

The calculation of basic earnings per share for the six months ended 30th June 2000 was based on the Group's profit for the six months ended 30th June 2000 of HK\$7,004,000 and the weighted average of 162,087,912 shares had been in issue during the period. The earnings per share in respect of the six months ended 30th June 1999 was based on the Group's profit for the six months ended 30th June 1999 of HK\$9,606,000 and on 150,000,000 shares in issue on the assumption that the Group Reorganisation of the Company had been effective during the six months ended 30th June 1999.

The diluted earnings per share for the six months ended 30th June 2000 was based on the Group's profit for the period and the diluted weighted average of 166,923,077 shares (which incorporated the effect of 20,000,000 potential ordinary shares under Pre-IPO Share Option Plan) had been in issue during the six months ended 30th June 2000. No diluted earnings per share in respect of the six months ended 30th June 1999 was calculated as there was no diluted share during the last corresponding period.

### 3. Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30th June 2000. For the six months ended 30th June 1999, a dividend of HK\$7,023,000 was distributed by Earnway Manufacturing Limited ("EML"), a related company of the Group which is beneficiary owned by Mr. Law Man Ming and Mr. Tang Kwok Yuen (both are the management shareholders of the Company), to its then shareholders. The assets and liabilities and the related plastic business of EML had been transferred to the Group as part of the Group's restructuring exercise, details of which had been disclosed in the Prospectus dated 9th May 2000. The dividend rates are not presented as comparative figures as such information is not meaningful for the purpose of this report.