

**VITAL BIOTECH HOLDINGS LTD :**  
**OPIN OR OSTEOFORM, ANYBODY ?**

For the Financial Year, ended December 31, 2001, Vital BioTech Holdings Ltd must have earned at least \$HK33.52 million – which is a huge jump from \$HK14.54 million that it earned in the 2000 Year.

The Company, which was recently listed on The Growth Enterprise Market (The GEM) of The Stock Exchange of Hongkong Ltd, Stock Code Number 8193, is in the business, primarily, of selling just 3 products: Opin, the brand name of an interferon (any of a group of glycoproteins, produced by cells in response to infection by a virus that act to prevent viral replication and have the ability to induce resistance to viral antigens), based on vaginal pessary (a medicated vaginal suppository), Osteoform, a supplement of calcium, trace mineral Vitamin D3 and Vitamin C, and spray-on bandages, a polymer-based dermal delivery system, used as a first-aid device.

For the past 30 months, the Company has produced positive results for its Bottom Line, which is an excellent record, considering that Vital BioTech was only 'born' in 1997.

The following table is lifted from Page 159 of the Placing Prospectus:

	Financial Year ended December 31		Six Months to June 30
	1999	2000	2001
	All Figures are Denominated in \$HK'000		
Turnover	22,875	64,128	52,767
Cost of Sales	(14,435)	(37,921)	(28,953)
Gross Profit	8,440	26,207	23,814
Other Revenues	10	28	58
Selling and Distribution Expenses	(1,084)	(1,452)	(1,333)
Administrative Expenses	(2,546)	(5,504)	(5,427)
Other Operating Expenses (Net)	(1,441)	(2,146)	(2,195)
Operating Profit	3,379	17,133	14,917
Financing Costs	(2,233)	(1,836)	(1,220)
Profit before Taxation	1,146	15,297	13,697
Taxation	Nil	(15)	(25)
Profit after Taxation	1,146	15,282	13,672
Minority Interests	(545)	(743)	(188)
Net Profit Attributable to Shareholders	601	14,539	13,484

Page 136 of the Prospectus states that the Company had logged in Net Profits Attributable to Shareholders of about \$HK19.85 million, during the 5 months, ended November 30, 2001.

Adding this unaudited figure to the audited Net Profit Attributable to Shareholders for the 6 months, ended June 30, 2001, amounting to about \$HK13.48 million, means that, for the 11 months to November 30, 2001, Vital BioTech must have earned not less than \$HK33.52 million.

The Company Placed 240 million, new, one-cent shares at a Premium of 44 cents per share and, at the same time, 60 million other shares, belonging to Messrs Yeung Wing Sang and Ip Yu Chak, 2 minority shareholders, were

Placed on the same basis to that which the Company had attained.

So Messrs Yeung Wing Sang and Ip Yu Chak took their \$HK25 million-odd off to their respective bankers, while Vital BioTech got a cash injection of about \$HK94 million, net of expenses (TARGET's estimate, predicated on the inability ... [CLICK TO ORDER FULL ARTICLE](#)

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