

INTERIM RESULTS

The Board of Directors (the “Directors”) of Heng Fung Holdings Limited (formerly known as Online Credit International Limited) (the “Company”) announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”), which have been reviewed by the Company’s external auditors, for the six months ended September 30, 2001 together with the comparative figures for the corresponding period in 2000 as follows:–

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2001

	NOTES	Six months ended	
		9.30.2001 HK\$'000 (unaudited)	9.30.2000 HK\$'000 (unaudited)
Turnover	1	35,475	27,201
Cost of sales		<u>(9,164)</u>	<u>(2,431)</u>
Gross profit		26,311	24,770
Other revenue		1,744	10,229
Distribution costs		(1,059)	(2,539)
Administrative expenses		(29,865)	(31,872)
Other operating expenses		(125)	(4,715)
Reversal of (recognition of) impairment loss in respect of investments in securities		<u>9,399</u>	<u>(7,898)</u>
Profit (loss) from operations	2	6,405	(12,025)
Finance costs		(4,287)	(3,342)
Net loss on investment in an associate		–	(3,364)
Gain on deemed disposal of a subsidiary	3	14,937	–
Impairment loss recognised in respect of goodwill	4	<u>(28,898)</u>	<u>–</u>
Loss before taxation		(11,843)	(18,731)
Taxation	5	<u>89</u>	<u>(313)</u>
Net loss before minority interests		(11,754)	(19,044)
Minority interests		<u>–</u>	<u>–</u>
Net loss for the period		<u>(11,754)</u>	<u>(19,044)</u>
Loss per share – basic	6	<u>0.93 cent</u>	<u>1.50 cents</u>