

Financial Summary

The following is a summary of the consolidated profit and loss accounts and balance sheets of Hang Fung Gold Technology Limited (“the Company”) and its subsidiaries (together “the Group”):

Consolidated Profit and Loss Accounts

	2005 HK\$'000	2004 HK\$'000	2003 HK\$'000	2002 HK\$'000	2001 HK\$'000 (Restated)
Turnover	2,566,814	2,067,674	1,700,867	1,568,757	1,327,753
Cost of sales	(1,664,104)	(1,572,774)	(1,382,517)	(1,353,607)	(1,122,475)
Gross profit	902,710	494,900	318,350	215,150	205,278
Other income	3,930	1,062	6,674	11,938	8,723
Selling and marketing expenses	(543,870)	(260,206)	(149,847)	(62,878)	(16,856)
General and administrative expenses	(223,503)	(150,296)	(108,250)	(87,180)	(91,260)
Operating profit	139,267	85,460	66,927	77,030	105,885
Finance costs	(26,465)	(25,110)	(24,541)	(30,471)	(30,105)
Share of losses of associates and provision against advance to an associate	–	–	(10,198)	(17,026)	(14,460)
Gain on disposal of an associate	–	–	48,665	–	–
Impairment of goodwill relating to associates	–	–	–	–	(188,142)
Profit/(Loss) before taxation	112,802	60,350	80,853	29,533	(126,822)
Taxation (charge)/credit	(6,166)	1,429	2,647	5,022	(9,156)
Profit/(Loss) attributable to shareholders	106,636	61,779	83,500	34,555	(135,978)
Dividends	28,558	14,581	–	–	–

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Consolidated Balance Sheets

	2005 HK\$'000	2004 HK\$'000	2003 HK\$'000	2002 HK\$'000	2001 HK\$'000
Fixed assets	518,163	417,640	384,150	349,885	351,978
Investment property	1,680	1,320	1,220	1,450	1,600
Investment in associates	–	–	–	18,579	35,347
Current assets	1,355,134	1,180,874	937,042	755,419	647,719
Current liabilities	(732,678)	(777,190)	(612,882)	(517,909)	(456,333)
Long-term bank loans	(275,444)	(61,575)	(100,491)	(30,662)	(35,580)
Other non-current liabilities	(5,518)	(5,707)	(18,400)	(16,906)	(18,086)
Deferred taxation	(29,366)	(26,105)	(20,486)	(18,687)	(20,031)
Net assets	831,971	729,257	570,153	541,169	506,614
Representing:					
Share capital	56,079	56,079	46,906	53,320	53,320
Reserves	775,892	673,178	523,247	487,849	453,294
Shareholders' equity	831,971	729,257	570,153	541,169	506,614