

**CONDENSED CONSOLIDATED INCOME STATEMENT**

For the six months ended 30 September 2005

|                                                                                           |              | <b>Unaudited<br/>six months ended<br/>30 September</b> |                                         |
|-------------------------------------------------------------------------------------------|--------------|--------------------------------------------------------|-----------------------------------------|
|                                                                                           | <i>Notes</i> | <b>2005<br/>HK\$'000</b>                               | <b>2004<br/>HK\$'000<br/>(Restated)</b> |
| <b>Turnover</b>                                                                           | 4            | <b>47,780</b>                                          | 85,957                                  |
| Cost of sales                                                                             |              | <b>(28,477)</b>                                        | (65,875)                                |
| <b>Gross profit</b>                                                                       |              | <b>19,303</b>                                          | 20,082                                  |
| Other revenue                                                                             |              | <b>474</b>                                             | 1,901                                   |
| Selling and distribution costs                                                            |              | <b>(17,687)</b>                                        | (18,098)                                |
| Administrative expenses                                                                   |              | <b>(11,328)</b>                                        | (10,908)                                |
| Other operating expenses                                                                  |              | <b>(7)</b>                                             | (8)                                     |
| Provision for loan receivables                                                            |              | <b>(100)</b>                                           | (459)                                   |
| Amortisation of goodwill arising on acquisition of subsidiaries                           |              | -                                                      | (921)                                   |
| Impairment loss recognised in relation to goodwill arising on acquisition of subsidiaries | 12           | <b>(3,118)</b>                                         | -                                       |
| <b>Loss from operations</b>                                                               | 5            | <b>(12,463)</b>                                        | (8,411)                                 |
| Gain on disposal of subsidiaries                                                          |              | <b>10</b>                                              | -                                       |
| Finance costs                                                                             | 6            | <b>(1,099)</b>                                         | (663)                                   |
| Share of results of associates                                                            |              | -                                                      | (1)                                     |
| Impairment loss recognised in relation to goodwill arising on acquisition of associates   |              | -                                                      | (1,635)                                 |
| <b>Loss before taxation</b>                                                               |              | <b>(13,552)</b>                                        | (10,710)                                |
| Taxation                                                                                  | 7            | -                                                      | -                                       |
| <b>Loss from continuing operations</b>                                                    |              | <b>(13,552)</b>                                        | (10,710)                                |
| <b>Discontinued operations</b>                                                            | 8            |                                                        |                                         |
| Profit from discontinued operations                                                       |              | -                                                      | 21,434                                  |
| <b>(Loss)/Profit for the period</b>                                                       |              | <b>(13,552)</b>                                        | 10,724                                  |
| <b>Attributable To:</b>                                                                   |              |                                                        |                                         |
| Equity holders of the parent                                                              |              | <b>(13,552)</b>                                        | 10,689                                  |
| Minority interest                                                                         |              | -                                                      | 35                                      |
|                                                                                           |              | <b>(13,552)</b>                                        | 10,724                                  |
| <b>(Loss)/Earnings per share</b>                                                          | 9            |                                                        |                                         |
| Basic                                                                                     |              |                                                        |                                         |
| - Continuing operations                                                                   |              | <b>(3.10) cents</b>                                    | (2.94) cents                            |
| - Discontinued operations                                                                 |              | <b>N/A</b>                                             | 5.87 cents                              |
|                                                                                           |              | <b>(3.10) cents</b>                                    | 2.93 cents                              |
| Diluted                                                                                   |              | <b>N/A</b>                                             | N/A                                     |
| <b>Dividend per share</b>                                                                 | 10           | <b>Nil</b>                                             | Nil                                     |