

# CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2005

|  | NOTES | 2005<br>HK\$'000   | 2004<br>HK\$'000 |
|--|-------|--------------------|------------------|
| Turnover   | 7     | <b>1,198,229</b>   | 1,658,830        |
| Cost of sales  | 9     | <b>(1,170,757)</b> | (1,573,337)      |
| Gross profit   |       | <b>27,472</b>      | 85,493           |
| Other operating income   | 10    | <b>5,536</b>       | 6,518            |
| Distribution costs   |       | <b>(6,192)</b>     | (8,926)          |
| Administrative expenses  |       | <b>(29,143)</b>    | (29,860)         |
| Allowance for doubtful debts   |       | <b>(401,972)</b>   | (1,512)          |
| Allowance for rebates receivables  | 12    | <b>(92,705)</b>    | –                |
| Write-down of inventories  |       | <b>(66,283)</b>    | (2,491)          |
| Finance costs  | 13    | <b>(18,568)</b>    | (15,421)         |
| Share of results of associates   |       | <b>(93)</b>        | 6                |
| Impairment loss recognised in respect of goodwill of associates          |       | <b>(13,768)</b>    | –                |
| (Loss) profit before taxation  | 14    | <b>(595,716)</b>   | 33,807           |
| Taxation   | 15    | <b>(734)</b>       | (585)            |
| (Loss) profit for the year attributable to equity holders of the Company |       | <b>(596,450)</b>   | 33,222           |
| Dividend   | 16    | –                  | 7,200            |
| (Loss) earnings per share (HK cents)                                     | 17    |                    |                  |
| – Basic  |       | <b>(37.3)</b>      | 2.1              |
| – Diluted  |       | <b>(37.3)</b>      | 2.1              |