

**CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT**

FOR THE SIX MONTHS ENDED 30 JUNE 2006

(All amounts in HK dollar unless otherwise stated)

|  |             | <b>Unaudited</b>                |             |
|--|-------------|---------------------------------|-------------|
|  |             | <b>Six months ended 30 June</b> |             |
|  | <i>Note</i> | <b>2006</b>                     | 2005        |
|  |             | <b>\$'000</b>                   | \$'000      |
| <b>Sales</b>                               | 4           | <b>445,379</b>                  | 430,105     |
| Cost of goods sold                         |             | <b>(380,941)</b>                | (346,597)   |
| Gross profit                               |             | <b>64,438</b>                   | 83,508      |
| Other gains                                | 5           | <b>3,970</b>                    | 3,732       |
| Other net loss                             |             | <b>(9,162)</b>                  | (8,665)     |
| Selling and distribution costs             |             | <b>(14,354)</b>                 | (16,378)    |
| Administrative expenses                    |             | <b>(71,834)</b>                 | (78,357)    |
| <b>Operating loss</b>                      | 6           | <b>(26,942)</b>                 | (16,160)    |
| Finance costs                              |             | <b>(3,242)</b>                  | (1,154)     |
| Share of profits less losses of associates |             | <b>(213)</b>                    | 131         |
| <b>Loss before income tax</b>              |             | <b>(30,397)</b>                 | (17,183)    |
| Income tax (expense)/credit                | 7           | <b>(6,451)</b>                  | 678         |
| <b>Loss for the period</b>                 |             | <b>(36,848)</b>                 | (16,505)    |
| <b>Attributable to:</b>                    |             |                                 |             |
| – equity holders of the Company            |             | <b>(36,635)</b>                 | (16,505)    |
| – minority interests                       |             | <b>(213)</b>                    | –           |
|  |             | <b>(36,848)</b>                 | (16,505)    |
| <b>Dividend</b>                            | 8           | <b>–</b>                        | –           |
| <b>Loss per share</b>                      | 9           |                                 |             |
| – Basic                                    |             | <b>(5.5 cents)</b>              | (2.5 cents) |
| – Diluted                                  |             | <b>(5.5 cents)</b>              | (2.5 cents) |

The notes on pages 10 to 19 form part of this interim financial report.