

CONSOLIDATED INCOME STATEMENT

SINO KATALYTICS INVESTMENT CORPORATION

For the Year Ended 30 June 2006

	NOTES	2006 HK\$	2005 HK\$ (Restated)
Turnover	7	48,944,177	63,516,614
Cost of sales		<u>(40,643,674)</u>	<u>(65,348,122)</u>
Gross profit (loss)		8,300,503	(1,831,508)
Unrealised holding gain on investments in securities, net		–	1,008,112
Gain arising from change in fair value of equity investments at fair value through profit or loss		10,069,162	–
Other operating income	7	1,008,606	755,938
Administrative expenses		<u>(7,562,338)</u>	<u>(9,024,359)</u>
Finance costs	9	<u>(433,133)</u>	<u>(158,541)</u>
Share of results of associates	16	<u>475,613</u>	<u>(271,994)</u>
Profit (loss) before tax	10	11,858,413	(9,522,352)
Income tax expenses	11	<u>(450,000)</u>	<u>–</u>
Profit (loss) for the year attributable to equity holders of the Company		<u>11,408,413</u>	<u>(9,522,352)</u>
Dividend	12	<u>–</u>	<u>–</u>
Earning (loss) per share – basic	13	<u>0.06</u>	<u>(0.05)</u>
– diluted		<u>N/A</u>	<u>N/A</u>