

The following is a summary of the audited consolidated accounts of Van Shung Chong Holdings Limited (the “Company” or “VSC”) and its subsidiaries (together the “VSC Group”) for the respective years as hereunder stated.

## CONSOLIDATED PROFIT AND LOSS ACCOUNTS

	Years ended 31st March				
	1999	2000	2001	2002	2003
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Note 1)	(Note 1)	(Note 1)	(Note 1)	
Turnover	1,842,262	1,900,945	2,376,451	2,137,845	<b>2,755,769</b>
Operating profit	96,807	91,714	311,953	19,888	<b>77,049</b>
Finance cost	(15,358)	(14,907)	(11,732)	(7,908)	<b>(11,144)</b>
Share of (loss) profit of associates	(1,980)	2	89	(88)	—
Profit before taxation	79,469	76,809	300,310	11,892	<b>65,905</b>
Taxation	(13,610)	(19,294)	(15,533)	(760)	<b>(2,164)</b>
Profit before minority interests	65,859	57,515	284,777	11,132	<b>63,741</b>
Minority interests	1,121	(2,150)	1,059	(1,022)	<b>(3,329)</b>
Profit attributable to shareholders	66,980	55,365	285,836	10,110	<b>60,412</b>
Dividends (Note 2)	21,387	29,930	400,391	9,230	<b>18,111</b>

Notes:

1. Certain prior years' figures have been reclassified to conform with the current year's presentation.
2. For the year ended 31st March 2000, there was also a bonus issue of warrant dividend in the ratio of one warrant for every five shares in addition to the cash dividends. Such warrants were expired on 16th February 2002. For the year ended 31st March 2001, dividend in specie of shares in iSteelAsia.com Limited (“iSteelAsia”) worth approximately HK\$308 million was distributed on the basis of 1,562 shares of iSteelAsia for VSC's shareholders holding 2,000 shares in VSC in addition to the cash dividends. For the year ended 31st March 2002, there was also a bonus issue of warrant dividend in the ratio of one warrant for every ten shares in addition to the cash dividends. Such warrants will be expired on 18th November 2004. All other dividends were settled in cash.

## CONSOLIDATED BALANCE SHEETS

	As at 31st March				
	1999	2000	2001	2002	2003
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Property, plant and equipment	94,940	130,985	86,296	123,248	<b>125,789</b>
Investment properties	38,480	36,800	31,340	32,500	<b>31,000</b>
Website development costs	—	3,762	—	—	—
Investment in associates	22,282	18,561	90	2	<b>2</b>
Long-term investments	5,519	12,700	87,431	32,561	<b>45,711</b>
Goodwill	—	24,877	—	6,474	<b>4,624</b>
Current assets	636,057	1,016,311	716,257	791,401	<b>1,211,578</b>
Current liabilities	(335,023)	(619,227)	(259,665)	(458,053)	<b>(871,073)</b>
Long-term bank loan, non-current portion	—	—	—	—	<b>(20,475)</b>
Deferred taxation	(863)	(1,497)	(2,070)	(250)	<b>(250)</b>
Minority interests	(2,429)	(4,289)	(2,921)	(4,573)	<b>(6,502)</b>
Net assets	458,963	618,983	656,758	523,310	<b>520,404</b>
Representing:					
Share capital	29,704	34,088	35,529	35,498	<b>31,226</b>
Reserves	429,259	584,895	621,229	487,812	<b>489,178</b>
Shareholders' equity	458,963	618,983	656,758	523,310	<b>520,404</b>