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WINFOONG INTERNATIONAL LIMITED

(榮 豐 國 際 有 限 公 司)

(Incorporated in Bermuda with limited liability)

(Stock Code: 63)

ANNOUNCEMENT OF 2005 UNAUDITED RESULTS

SUMMARY

The board of directors of Winfoong International Limited (the “Company”) announce the postponement of the board meeting to approve the audited results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2005 and announce the unaudited results to keep the public informed of the position of the Group. A board meeting for approving the said audited results originally scheduled to be held on 28 February 2006 was postponed but is expected to be held on or before 28 April 2006.

The Group’s audited results for the year ended 31 December 2005 will be announced on or before 28 April 2006 in accordance with the requirements set out in the Listing Rules. **The audited results may be different from the unaudited results as set out in this announcement. Shareholders should exercise caution when dealing with shares of the Company.**

Hong Fok Corporation Limited (“Hong Fok”) whose shares are listed on the Singapore Stock Exchange is an associated company of the Company and the Company is an associated company of Hong Fok. As at the date of this announcement, Hong Fok beneficially owns 40.38% of the existing issued share capital of the Company and the Company beneficially owns 20.2% of the existing issued share capital of Hong Fok. Hong Fok will release its unaudited results for the year ended 31 December 2005 on 28 February 2006 (the “Date of Announcement”) pursuant to the listing rules of the Singapore Stock Exchange.

The directors have noted that there are different views on the application of Hong Kong Accounting Standard – Interpretation 21 “Income Taxes – Recovery of Revalued Non-Depreciable Assets” and are in the course of gathering more information on the matter before the results for the year ended 31 December 2005 can be finalised, a meeting of the Board for approving the audited results of 2005, originally scheduled to be held on 28 February 2006, has been postponed (but is expected to be held on or before 28 April 2006) and the Company will not be able to release its audited results of the Group on the date of Announcement. Nevertheless, the Company hereby releases the unaudited results of the Group for the year ended 31 December 2005 to keep the public informed of the position of the Group under the general obligation imposed by rule 13.09 of the Listing Rules.

The directors of the Company announce the unaudited consolidated results of the Company and its subsidiaries, based on the management accounts, for the year ended 31 December 2005.

		Unaudited 2005	Audited 2004 (restated)
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	1	128,349	46,441
Cost of sales		(81,842)	(20,760)
Gross profit		46,507	25,681
Valuation gains on investment property		166,000	533,016
Other revenue	2	406	1,874
Other net (loss)/income	2	(41,147)	26,296
Operating and administrative expenses		(41,764)	(28,673)
Profit from operations		130,002	558,194
Finance costs		(20,168)	(10,516)
Profit on disposal of subsidiaries		–	156
Share of profit/(loss) of an associate		30,472	(448)
Profit before taxation	3	140,306	547,386
Income tax	4	(28,244)	(93,025)
Profit for the year		112,062	454,361
Attributable to:			
Equity shareholders of the Company		115,131	454,440
Minority interests		(3,069)	(79)
Profit for the year		112,062	454,361
Earnings per share	5		
Basic		HK7.71 cents	HK30.45 cents
Diluted		HK7.66 cents	N/A

Notes:

1. Turnover

Turnover represents the rental income, income from sales of property, revenue from construction contracts, revenue from provision of property management services and revenue from provision of horticultural services. The amount of each significant category of revenue recognised in turnover during the year is as follows:

	Unaudited 2005 HK\$'000	Audited 2004 HK\$'000
Gross rentals from investment and other properties	32,729	36,146
Gross proceeds from properties sold	92,156	6,201
Revenue from provision of property management services	398	913
Revenue from provision of horticultural services	3,066	3,181
	<u>128,349</u>	<u>46,441</u>

2. Other revenue and net income

	Unaudited 2005 HK\$'000	Audited 2004 (restated) HK\$'000
Other revenue		
Interest income		
– bank	81	15
– others	23	2
	<u>104</u>	<u>17</u>
Dividend income from unlisted securities	142	–
Compensation received on transaction of management services	–	1,320
Others	160	537
	<u>406</u>	<u>1,874</u>
Other net (loss)/income		
Net gain/(loss) on disposal of fixed assets	28,054	(9)
Net realised and unrealised gains on trading securities	–	172
(Provision)/reversal of provision for impairment of properties held for sale	(360)	26,000
Impairment loss on unlisted available-for-sale equity securities	(2,027)	–
Impairment loss on property held for future development	(67,500)	–
Revaluation (losses)/gains on buildings	(18)	133
Write-off of long outstanding creditors	704	–
	<u>(41,147)</u>	<u>26,296</u>

3. Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

	Unaudited 2005	Audited 2004 (restated)
	HK\$'000	HK\$'000
Amortisation of land lease premium	35	47
Depreciation of fixed assets	723	948
Auditors' remuneration		
– audit services	279	247
– tax services	30	–
– other services	100	–
Operating lease charges: minimum lease payments		
– hire of plant and machinery	9	–
– hire of other assets (including property rentals)	641	274
Share of an associate's taxation	(185)	564
Rentals receivable from investment and other properties less direct outgoings of HK\$7,539,000 (2004: HK\$9,081,000)	25,190	27,065
Cost of inventories	<u>73,518</u>	<u>(14,920)</u>

4. Income tax

	Unaudited 2005	Audited 2004 (restated)
	HK\$'000	HK\$'000
Current tax		
Under provision in respect of prior years	14	24
Deferred tax		
Origination and reversal of temporary differences	28,230	93,000
	<u>28,244</u>	<u>93,024</u>

No provision for Hong Kong Profits Tax for the year ended 31 December 2005 has been made as the Group has no estimated assessable profits for the year.

5. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$115,131,000 (2004 (restated): HK\$454,440,000) and the weighted average of 1,492,410,986 (2004: 1,492,410,986) ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 December 2005 is based on the profit attributable to ordinary equity shareholders of the Company of HK\$115,131,000 and the weighted average number of ordinary shares of 1,503,304,597 shares, calculated as follows:

Weighted average number of ordinary shares (diluted)

2005

Weighted average number of ordinary shares at 31 December	1,492,410,986
Effect of deemed issue of shares under the company's share option scheme for nil consideration	10,893,611

Weighted average number of ordinary shares
(diluted) at 31 December

1,503,304,597

The fully diluted earnings per share for the year ended 31 December 2004 is not shown because there was no dilutive potential ordinary shares in existence as at 31 December 2004.

6. Net asset value

The unaudited consolidated net asset value of the Group as at 31 December 2005 was HK\$1,692,560,000 (31 December 2004 audited (restated): HK\$1,577,422,000).

PUBLICATION OF ANNOUNCEMENT

The announcement is published on the Stock Exchange's website (www.bkex.com.hk).

As at the date hereof, the Board comprises:

Executive directors:

Cheong Pin Chuan, Patrick
Cheong Kim Pong
Cheong Sim Eng

Independent non-executive directors:

Chan Yee Hoi, Robert
Kan Fook Yee
Lai Hing Chiu, Dominic

Non-executive director:
Lim Ghee

By Order of the Board
Winfoong International Limited
Cheong Pin Chuan, Patrick
Chairman

Hong Kong, 28 February 2006

Please also refer to the published version of this announcement in China Daily.