

Investor

Investment Service Centre

Listed Companies Information

MOBICON GROUP<01213> - Results Announcement

Mobicon Group Limited announced on 13/12/2004:

(stock code: 01213)

Year end date: 31/3/2005

Currency: HKD

Auditors' Report: N/A

Interim report reviewed by: Both Audit Committee and Auditors

	(Unaudited) Current Period from 1/4/2004 to 30/9/2004 Note ('000)	(Unaudited) Last Corresponding Period from 1/4/2003 to 30/9/2003 ('000)
Turnover	: 682,780	565,684
Profit/(Loss) from Operations	: 31,192	20,075
Finance cost	: (841)	(193)
Share of Profit/(Loss) of Associates	: 101	(148)
Share of Profit/(Loss) of Jointly Controlled Entities	: 0	0
Profit/(Loss) after Tax & MI	: 20,790	15,205
% Change over Last Period	: +36.7 %	
EPS/(LPS)-Basic (in dollars)	: 0.104	0.076
-Diluted (in dollars)	: N/A	N/A
Extraordinary (ETD) Gain/(Loss)	: 0	0
Profit/(Loss) after ETD Items	: 20,790	15,205
Interim Dividend per Share	: 3.0 cents	2.0 cents
(Specify if with other options)	: N/A	N/A
B/C Dates for Interim Dividend	: 13/01/2005	to 14/01/2005bdi.
Payable Date	: 21/01/2005	
B/C Dates for (-) General Meeting	: N/A	
Other Distribution for Current Period	: N/A	
B/C Dates for Other Distribution	: N/A	

Remarks:

1 Basis of presentation and preparation

These unaudited consolidated condensed accounts are prepared in accordance with Hong Kong Statement of Standard Accounting Practice ("SSAP") 25, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

These condensed accounts should be read in conjunction with the 2004 annual accounts.

The accounting policies and methods of computation used in the preparation of these condensed accounts are consistent with those used in the annual accounts for the year ended 31 March 2004.

2 Segment information

(a) Primary segment

The Group is principally engaged in the trading and distribution of electronic parts, components and equipment and computer products and accessories.

The Group is organized into two main business segments:
 Electronic products - Trading and distribution of electronic parts, components and equipment
 Computer products - Trading and distribution of computer products and accessories

Six months ended 30 September 2004 (Unaudited)			
	Electronic products HK\$'000	Computer products HK\$'000	Total HK\$'000
Turnover	413,081 =====	269,699 =====	682,780 =====
Segment results	34,575 =====	(3,305) =====	31,270
Unallocated costs			(78) -----
Operating profit			31,192
Finance costs			(841)
Share of profit of an associated company			101 -----
Profit before taxation			30,452
Taxation			(7,316) -----
Profit after taxation			23,136
Minority interests			(2,346) -----
Profit attributable to shareholders			20,790 =====

Six months ended 30th September 2003 (Unaudited)			
	Electronic products HK\$'000	Computer products HK\$'000	Total HK\$'000
Turnover	278,457 =====	287,227 =====	565,684 =====
Segment results	20,604 =====	196 =====	20,800
Unallocated costs			(725) -----
Operating profit			20,075
Finance costs			(193)
Share of loss of an associated company			(148) -----
Profit before taxation			19,734
Taxation			(3,519) -----
Profit after taxation			16,215
Minority interests			(1,010) -----
Profit attributable to shareholders			15,205 =====

(b) Secondary segment

The Group operates in the following main geographical areas

Six months ended 30th September 2004 (Unaudited)					
Hong Kong HK\$'000	Asia Pacific HK\$'000	South Africa HK\$'000	Europe HK\$'000	Others HK\$'000	Total HK\$'000

Segment turnover						
605,735	44,516	17,273	10,939	4,317	682,780	
=====						
Segment results						
25,977	2,811	1,828	469	185	31,270	
=====						
Unallocated costs					(78)	

Operating profit					31,192	
						=====

Six months ended 30th September 2003
(Unaudited)

Hong Kong HK\$'000	Asia Pacific HK\$'000	South Africa HK\$'000	Europe HK\$'000	Others HK\$'000	Total HK\$'000	
Segment turnover						
507,256	29,981	15,740	10,311	2,396	565,684	
=====						
Segment results						
18,841	644	804	415	96	20,800	
=====						
Unallocated costs					(725)	

Operating profit					20,075	
						=====

3 Operating profit

Operating profit in the condensed consolidated profit and loss account was determined after charging and crediting the following:

	(Unaudited)	
	Six months ended 30th September 2004	2003
	HK\$'000	HK\$'000
Charging		
Staff costs (including directors' emoluments)		
- wages and salaries	26,969	22,063
- pension costs - defined contribution plans	1,336	915
Provision for obsolete and slow-moving inventories	1,438	2,940
Provision for doubtful debts	425	211
Depreciation of fixed assets	1,090	864
Operating lease rentals of premises	7,350	5,360
Loss on dilution of interests in a subsidiary	2,161	-
Net exchange loss	1,851	-
Impairment of goodwill arising from acquisition of a subsidiary company	-	54
Auditors' remuneration	286	275
		=====
Crediting		
Gain on dilution of interests in subsidiaries	-	525
Gain on disposal of fixed assets	1	32
Net exchange gain	-	635
		=====

4 Taxation

Taxation comprised:

	(Unaudited)	
	Six months ended 30th September 2004	2003
	HK\$'000	HK\$'000
Current taxation		
- Hong Kong profits tax	5,878	3,093
- Overseas taxation	1,183	426

- Underprovision in prior year	255	-
	-----	-----
	7,316	3,519
	=====	=====

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the taxation rate of the subsidiaries operating in Hong Kong is as follows:

	(Unaudited)	
	Six months ended	
	30 September	
	2004	2003
	HK\$'000	HK\$'000
Profit before taxation	30,452	19,734
Calculated at a taxation rate of 17.5%	5,329	3,453
Effect of different taxation rates in other countries	462	208
Expenses not deductible for taxation purposes	1,571	34
Underprovision in prior year	255	-
Others	(301)	(176)
Taxation charge	7,316	3,519
	=====	=====

The Company is exempted from taxation in Bermuda until 2016.

Hong Kong profits tax has been provided at the rate of 17.5% (2003: 17.5%) on the estimated assessable profit arising in or derived from Hong Kong.

Mobicon Electronic Trading (Shenzhen) Limited ("MET") being a foreign investment enterprise established in the free trade zone of Futian, Shenzhen, People's Republic of China ("PRC"), is subject to PRC enterprise income tax at the rate of 15%. No provision for PRC enterprise income tax has been made as MET is still in a tax loss position.

Taxation on profits of the other overseas subsidiaries has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the subsidiaries operate.

There was no material unprovided deferred taxation for the period.

5 Dividend

At a meeting held on 13 December 2004, the Directors declared an interim dividend of HK\$0.03 per ordinary share for the six months ended 30 September 2004. This interim dividend is not reflected as a dividend payable in these condensed interim accounts, but will be reflected as an appropriation of retained profits as at 30 September 2004 (2003: HK\$0.02 per ordinary share). The interim dividend will be payable on 21 January 2005 to shareholders whose name appear on the register of members of the Company on 14 January 2005.

6 Earnings per share

The calculation of basic earnings per share for the six months ended 30 September 2004 is based on the Group's profit attributable to shareholders of approximately HK\$20,790,000 (2003: HK\$15,205,000) and on 200,000,000 shares (2003: 200,000,000 shares) in issue during the period.

No diluted earnings per share is presented as there were no potential dilutive ordinary shares in issue during the six months ended 30th September 2003 and 2004.