

INCOME STATEMENT

For the financial year ended 31 December 2000

| | NOTE | CONSOLIDATED ENTITY | | |
|--|------|---------------------|--------------------------------|--|
| | | 2000 A\$'000 | As Restated 1999 A\$'000 | As Previously Reported 1999 A\$'000 |
| Total revenue | 14 | <u>8,397</u> | <u>2,080</u> | <u>88,434</u> |
| Sales revenue | | – | – | 84,950 |
| Cost of sales | | <u>–</u> | <u>–</u> | <u>(69,367)</u> |
| Gross profit | | – | – | 15,583 |
| Other revenue | | | | |
| Dividend income | | 95 | 102 | 102 |
| Gain on foreign exchange | | 729 | – | – |
| Gain on sale of investments | | 1,645 | 398 | 398 |
| Interest income | | 116 | 97 | 186 |
| Management fee | | – | – | 41 |
| Tax refunds | | – | – | 1,274 |
| Other income | | – | – | 9 |
| | | <u>2,585</u> | <u>597</u> | <u>2,010</u> |
| Total income | | 2,585 | 597 | 17,593 |
| Operating expenses | | | | |
| General and administrative | | (1,231) | (1,271) | (11,895) |
| Selling and distribution | | – | – | (4,985) |
| Financial | | (7) | (13) | (1,928) |
| | | <u>(1,238)</u> | <u>(1,284)</u> | <u>(18,808)</u> |
| Operating profit/(loss) before share of profit of associate entity and loss of the Joint Venture | | 1,347 | (687) | (1,215) |
| Share of profit of associate entity | 15 | 85 | – | – |
| Share of loss of the Joint Venture | | <u>(7,444)</u> | <u>(51)</u> | <u>–</u> |
| Operating loss before abnormal items | 16 | (6,012) | (738) | (1,215) |
| Abnormal items | 17 | <u>(2,088)</u> | <u>(358)</u> | <u>(511)</u> |
| Operating loss for the financial year | | (8,100) | (1,096) | (1,726) |
| Income tax benefit | 18 | <u>–</u> | <u>–</u> | <u>434</u> |
| Operating loss after income tax | | (8,100) | (1,096) | (1,292) |
| Outside equity interest in operating loss after income tax | | <u>–</u> | <u>–</u> | <u>196</u> |
| Operating loss after income tax attributable to members of parent entity | 13 | (8,100) | (1,096) | (1,096) |
| Retained profits at the beginning of the financial year | | <u>11,231</u> | <u>12,368</u> | <u>12,368</u> |
| Total available for appropriation | | 3,131 | 11,272 | 11,272 |
| Transfer to capital reserve | 10 | <u>–</u> | <u>(41)</u> | <u>(41)</u> |
| Retained profits at the end of the financial year | | <u>3,131</u> | <u>11,231</u> | <u>11,231</u> |
| Loss per share | 19 | <u>(7.7) cents</u> | <u>(1.0) cents</u> | <u>(1.0) cents</u> |

The accompanying notes form an integral part of these income statements.

INCOME STATEMENT

For the financial year ended 31 December 2000

| CONSOLIDATED ENTITY | | | | |
|--|-------------|---------------------|--------------------|--------------------|
| As Previously | | | | |
| Reported | | | | |
| 1999 | | | | |
| As Restated | | | | |
| 1999 | | | | |
| HK\$'000 | | | | |
| | <i>NOTE</i> | 2000 | 1999 | 1999 |
| | | <i>HK\$'000</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Total revenue | 14 | <u>38,703</u> | <u>10,120</u> | <u>430,231</u> |
| Sales revenue | | – | – | 413,279 |
| Cost of sales | | – | – | (337,704) |
| Gross profit | | – | – | 75,575 |
| Other revenue | | | | |
| Dividend income | | 436 | 497 | 497 |
| Gain on foreign exchange | | 3,362 | – | – |
| Gain on sale of current investments | | 7,580 | 1,937 | 1,937 |
| Interest income | | 536 | 472 | 904 |
| Management fee | | – | – | 201 |
| Tax refunds | | – | – | 6,198 |
| Other income | | – | – | 45 |
| | | <u>11,914</u> | <u>2,906</u> | <u>9,782</u> |
| Total income | | 11,914 | 2,906 | 85,357 |
| Operating expenses | | | | |
| General and administrative | | (5,670) | (6,187) | (57,871) |
| Selling and distribution | | – | – | (24,252) |
| Financial | | (35) | (63) | (9,380) |
| | | <u>(5,705)</u> | <u>(6,250)</u> | <u>(91,503)</u> |
| Operating profit/(loss) before share of profit of associate entity and loss of the Joint Venture | | 6,209 | (3,344) | (6,146) |
| Share of profit of associate entity | 15 | 393 | – | – |
| Share of loss of the Joint Venture | | (29,078) | (1,961) | – |
| Operating loss before abnormal items | 16 | (22,476) | (5,305) | (6,146) |
| Abnormal items | 17 | (9,626) | (1,740) | (2,485) |
| Operating loss for the financial year | | (32,102) | (7,045) | (8,631) |
| Share of income tax of the Joint Venture | 18 | (5,468) | 1,480 | 2,114 |
| Operating loss after income tax | | (37,570) | (5,565) | (6,517) |
| Outside equity interest in operating loss after income tax | | – | – | 952 |
| Operating loss after income tax attributable to members of parent entity | 13 | (37,570) | (5,565) | (5,565) |
| Retained profits at the beginning of the financial year | | 67,312 | 73,084 | 73,084 |
| Total available for appropriation | | 29,742 | 67,519 | 67,519 |
| Transfer to capital reserve | 10 | – | (207) | (207) |
| Retained profits at the end of the financial year | | <u>29,742</u> | <u>67,312</u> | <u>67,312</u> |
| Loss per share | 19 | <u>(35.7) cents</u> | <u>(5.3) cents</u> | <u>(5.3) cents</u> |

The accompanying notes form an integral part of these income statements.

INCOME STATEMENT

For the financial year ended 31 December 2000

| | NOTE | PARENT ENTITY | | | |
|--|------|---------------------|----------------------|----------------------|----------------------|
| | | 2000 A\$'000 | 1999 A\$'000 | 2000 HK\$'000 | 1999 HK\$'000 |
| Total revenue | 14 | 640 | 2,727 | 2,951 | 13,268 |
| Operating expenses | | | | | |
| General and administrative | | (1,168) | (1,216) | (5,383) | (5,919) |
| Financial | | (7) | (2) | (30) | (12) |
| | | <u>(1,175)</u> | <u>(1,218)</u> | <u>(5,413)</u> | <u>(5,931)</u> |
| (Loss)/Profit for the financial year | 16 | (535) | 1,509 | (2,462) | 7,337 |
| Retained profits at the beginning of the financial year | | <u>10,174</u> | <u>8,665</u> | <u>53,403</u> | <u>46,066</u> |
| Retained profits at the end of the financial year | | <u><u>9,639</u></u> | <u><u>10,174</u></u> | <u><u>50,941</u></u> | <u><u>53,403</u></u> |

The accompanying notes form an integral part of these income statements.