

# CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2003

|   | Notes | 2003<br>HK\$'000   | 2002<br>HK\$'000   |
|---|-------|--------------------|--------------------|
| Turnover  | 5     | 279,839            | 402,124            |
| Cost of Sales   |       | <u>(274,703)</u>   | <u>(362,336)</u>   |
| Gross Profit  |       | 5,136              | 39,788             |
| Other Revenue   |       | 4,928              | 5,630              |
| Subscription Right Reserve Release                      |       | 25,221             | –                  |
| Distribution Costs                                      |       | (10,285)           | (15,118)           |
| Administrative Expenses                                 |       | (67,416)           | (60,050)           |
| Revaluation Decrease of Investment Properties           |       | (6,500)            | (2,557)            |
| Revaluation Decrease of Leasehold Land and Buildings    |       | –                  | (126)              |
| Impairment Loss in respect of Interest in an Associate  |       | (1,000)            | (47,887)           |
| Impairment Loss in respect of Investments in Securities |       | (15,180)           | (13,751)           |
| Amortisation of Operating Rights                        |       | (453)              | –                  |
| Impairment Loss in respect of Operating Rights          |       | (6,347)            | –                  |
| Provision for Doubtful Debts                            |       | (22,233)           | (746)              |
| Deposit Forfeited                                       |       | <u>(4,100)</u>     | <u>–</u>           |
| Loss from Operations                                    | 7     | <u>(98,229)</u>    | <u>(94,817)</u>    |
| Amortisation on Goodwill                                |       | (11)               | (3,391)            |
| Share of Results of an Associate                        |       | –                  | (181)              |
| Finance Costs   | 8     | (6,331)            | (5,790)            |
| Loss on Disposal of Subsidiaries                        |       | <u>–</u>           | <u>(2,032)</u>     |
| Loss before Taxation                                    |       | (104,571)          | (106,211)          |
| Taxation  | 9     | <u>–</u>           | <u>–</u>           |
| Loss before Minority Interest                           |       | (104,571)          | (106,211)          |
| Minority Interest                                       |       | <u>–</u>           | <u>78</u>          |
| Net Loss for the Year                                   | 10    | <u>(104,571)</u>   | <u>(106,133)</u>   |
| Dividends   | 12    | <u>–</u>           | <u>–</u>           |
| Loss per Share  |       |                    |                    |
| Basic and Diluted                                       | 11    | <u>(1.23) cent</u> | <u>(1.62) cent</u> |

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