

# CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2003  
(Expressed in Hong Kong dollars)

	<i>Note</i>	<b>2003</b> <i>\$'000</i>	2002 <i>\$'000</i>
<b>Turnover</b>	2 & 11	<b>138,600</b>	193,359
<b>Cost of sales</b>		<b>(42,848)</b>	(85,751)
<b>Gross profit</b>		<b>95,752</b>	107,608
<b>Other revenue</b>	3	<b>4,496</b>	1,539
<b>Other net loss</b>	3	<b>(17,965)</b>	(90,113)
<b>Administrative and selling expenses</b>		<b>(88,116)</b>	(77,134)
<b>Other operating expenses</b>		<b>(6,166)</b>	(27,956)
<b>Loss from operations</b>		<b>(11,999)</b>	(86,056)
<b>Finance costs</b>	4(a)	<b>(969)</b>	(1,253)
<b>Share of profits less losses of associates</b>		<b>(19,472)</b>	(1,792)
<b>Impairment loss on goodwill</b>		<b>—</b>	(30,000)
<b>Loss from ordinary activities before taxation</b>	4	<b>(32,440)</b>	(119,101)
<b>Income tax</b>	5(a)	<b>(111)</b>	(334)
<b>Loss from ordinary activities after taxation</b>		<b>(32,551)</b>	(119,435)
<b>Minority interests</b>		<b>(1,518)</b>	—
<b>Loss attributable to shareholders</b>	8 & 31	<b>(34,069)</b>	(119,435)
<b>Loss per share</b>	9		
- Basic and diluted		<b>(2.1) cents</b>	(7.2) cents

The notes on pages 23 to 68 form part of these financial statements.