

Notes to the Financial Statements

For the year ended 31 December 2003

1. ORGANISATION AND OPERATION

The Company was incorporated in Bermuda on 24 March 1997 under the Companies Act 1981 of Bermuda (as amended) as an exempted company limited by shares. Its shares have been listed on The Stock Exchange of Hong Kong Limited on 26 June 1997.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 15(b) to the financial statements.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention.

The Group incurred a consolidated loss attributable to shareholders of HK\$262,341,000 for the year ended 31 December 2003 and had net current liabilities and capital deficiency of HK\$178,100,000 and HK\$177,561,000 respectively as at 31 December 2003.

The financial statements have been prepared on a going concern basis, the validity of which depends upon (i) the restructuring proposal which has become effective on 27 April 2004 to strengthen the capital base of the Company and (ii) the financial support of a shareholder, who after the effective date of the restructuring proposal became a substantial shareholder, of not more than HK\$10 million to finance the working capital requirement of the Company.

The restructuring proposal involves the following:

- (i) to implement a capital reorganisation of the Company ("Capital Reorganisation") which will involve (a) a reduction in the nominal value of each issued share from HK\$0.10 to HK\$0.0005 (b) a subdivision of each authorised and unissued share into 200 adjusted shares of HK\$0.0005 each (c) cancellation of the entire amount standing to the credit of the share premium account of the Company and (d) consolidation of every 20 adjusted shares of HK\$0.0005 each into 1 consolidated share of HK\$0.01 each ("Consolidated Share");
- (ii) to implement a scheme of arrangement under section 99 of the Companies Act 1981 of Bermuda and under section 166 of the Companies Ordinance (Chapter 32 of the laws of Hong Kong) between the Company and the scheme creditors (the "Creditors' Scheme") which will result in the indebtedness and liabilities owing to scheme creditors ("Total Indebtedness") as at the date for determination of entitlements of the scheme creditors (the "Scheme Record Date") being discharged in full and final settlement by way of a combination of the cash payment and the issuance of Consolidated Shares ("Creditors Shares") to the scheme creditors. Pursuant to the Creditors' Scheme, for every HK\$1 of valid claim, the Scheme Creditors will receive (a) cash payment of not more than HK\$0.1 and (b) not more than 1.5 Creditors Shares (the exact amount of cash payment and number of Creditors Shares will depend on the amount of Total Indebtedness as at the Scheme Record Date) which will be issued credited as fully paid at HK\$0.10 per Creditors Shares; and

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For the year ended 31 December 2003

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

- (iii) raise a minimum of approximately HK\$23.1 million (before expenses) by way of the issue of not less than 512,308,705 new Consolidated Shares ("Offer Shares") on the basis of an assured allotment of five Offer Shares for the equivalent of every Consolidated Share held by shareholders other than overseas shareholders (the "Qualifying Shareholders") at the subscription price of HK\$0.045 per Offer Share (the "Open Offer"). Qualifying Shareholders will not be allotted any Offer Shares in excess of their assured allotments.

The implementation of the Capital Reorganisation, the Creditors' Scheme and the Open Offer is inter-conditional to each other.

Furthermore, due to the continued poor performance and capital deficiency of most of its subsidiaries, especially those subsidiaries engaged in the construction industry in Hong Kong, the Company resolved that no further financial support will be given by the Company to certain of its subsidiaries with capital deficiency.

The accounting policies used in the preparation of the financial statements are consistent with the previous year except that the Group has adopted the revised Hong Kong Statement of Standard Accounting Practice ("SSAP") 12 "Income taxes" which became effective for the current financial year.

The principal effect of the implementation of the revised statement is in relation to deferred tax. In previous years partial provision was made for deferred tax using income statement liability method, that is, a liability was recognised in respect of timing differences arising, except where those timing differences were not expected to reverse in the foreseeable future. The revised statement requires the adoption of a balance sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions. In the absence of any specific transitional requirements, the new accounting policy has been adopted retrospectively, but the adoption of the standard has not had any material effect on the results for the current year or prior accounting periods.

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For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with generally accepted accounting principles in Hong Kong and with accounting standards issued by the Hong Kong Society of Accountants.

(a) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are those entities in which the Company, directly or indirectly, controls more than half of the voting power; has the power to govern the financial and operating policies; to appoint or remove the majority of the members of the Board of Directors; or to cast majority of votes at the meetings of the Board of Directors.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill or capital reserve which was not previously charged or recognised in the consolidated income statement and also any related accumulated foreign currency translation reserve.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

In the Company's balance sheet the investments in subsidiaries are stated at cost less impairment losses, if any. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Notes to the Financial Statements

For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Associated companies

An associated company is a company, not being a subsidiary or a joint venture, in which an equity interest is held for long-term and significant influence is exercised in its management.

The Group's investments in associated companies include the Group's share of the net assets of the associated companies (plus the premium paid/less any discount on acquisition in so far as it has not already been written off or amortised). The Group's share of post-acquisition results of associated companies is included in the consolidated income statement.

Unrealised profits and losses resulting from transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised in the consolidated income statement.

(c) Foreign currency translation

Transactions in foreign currencies are translated into Hong Kong dollars at the approximate rates of exchange ruling on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the rates ruling on the balance sheet date. Profits and losses resulting from this translation policy are included in the consolidated income statement.

The balance sheets of subsidiaries and associated companies expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst income statements' items are translated at average rates. Exchange differences are dealt with as a movement in reserves. Upon the disposal of an overseas subsidiary or associated company, the related cumulative exchange difference is included in the consolidated income statement as part of the gain or loss on disposal.

Notes to the Financial Statements

For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(d) Intangibles

(i) Goodwill

Goodwill represents the excess of the cost of investments over the fair value of the Group's share of the net assets of the acquired subsidiaries at the date of acquisition.

In accordance with SSAP 30, goodwill on acquisitions occurring on or after 1 January 2001 is included in intangible assets and is amortised using the straight line method over its estimated useful life, but not exceeding twenty years.

(ii) Patents and trademarks

Patents and trademarks are stated at purchased cost less accumulated amortisation and impairment losses.

On the adoption of SSAP 29, expenditure on acquired patents and trademarks is capitalised and amortised using the sum of years digit method over their estimated useful lives but not exceeding twenty years. Patents and trademarks are not revalued as there is no active market for these assets.

(iii) Hotel operating licence

Hotel operating licence is stated at purchased cost less accumulated amortisation and impairment losses.

On the adoption of SSAP 29, expenditure on licence is capitalised and amortised using the straight line method over their estimated useful lives, but not exceeding twenty years. The licence is not revalued as there is no active market for the licence.

Notes to the Financial Statements

For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses and are depreciated at rates sufficient to write off their costs over their estimated useful lives on a straight line basis. The principal annual rates are as follows:

Leasehold improvements	over unexpired lease term or 5 years, whichever is shorter
Furniture, fixtures and equipment	20% to 30%
Motor vehicles	20%

Major costs incurred in restoring property, plant and equipment to their normal working condition are charged to the consolidated income statement. Improvements are capitalised and depreciated over their expected useful lives to the Group.

The gain or loss on disposal of an asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated income statement.

(f) Construction contracts in progress

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenues and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to be recognised in a given period. The stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total costs for the contract. When it is probable total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

In determining costs incurred up to the year-end, any costs relating to future activity on a contract are excluded and shown as contract work-in-progress. The aggregate of the costs incurred and the profit or loss recognised on each contract is compared against the progress billings up to the year-end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers on construction contracts. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on construction contracts.

Notes to the Financial Statements

For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(g) Revenue recognition

(i) Contract revenue

Revenue for construction contracts is recognised as set out in note 3(f).

(ii) Provision of network security services

Revenue from provision of network security services is recognised when services are rendered.

(iii) Hotel operation revenue

Revenue for hotel operation income is recognised when services are rendered.

(iv) Interest income

Interest income is recognised to the extent when the revenue can be measured reliably.

(h) Impairment of assets

The carrying amounts of assets and intangible assets are reviewed at each balance sheet date to assess whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the consolidated income statement.

(i) Other investments

Other investments are stated at cost less impairment losses, if any. The carrying amounts of the investments are reviewed at each balance sheet date to assess whether the fair values have declined below the carrying amounts. When a decline other than temporary has occurred, the carrying amount of such investment is reduced to its fair value. The amount of the reduction is recognised as an expense in the consolidated income statement.

(j) Club membership

Club membership is stated at cost less any impairment in value. The carrying amount of individual club membership is reviewed at each balance sheet date to assess whether the fair value has declined below the carrying amount. When a decline other than temporary has occurred, the carrying amount of such club membership is reduced to its fair value. The amount reduced is recognised as an expense in the consolidated income statement.

Upon disposal of the membership, the difference between net disposal proceeds and the carrying amount is charged or credited to the consolidated income statement.

Notes to the Financial Statements

For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(k) **Accounts receivable**

Provision is made against accounts receivable to the extent which they are considered to be doubtful. Accounts receivable in the consolidated balance sheet are stated net of such provision.

(l) **Cash and cash equivalents**

Cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value, having been within three months of maturity at acquisition. For the purpose of cash flow statement, bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(m) **Operating leases**

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals applicable to such operating leases are charged to the consolidated income statement on a straight line basis over the lease term.

(n) **Borrowing costs**

All borrowing costs are charged to the consolidated income statement in the year in which they are incurred.

(o) **Provisions and contingent liabilities**

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Notes to the Financial Statements

For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(p) **Related parties**

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individual or corporate entities.

(q) **Event after the balance sheet date**

Post-year-end events that provide additional information about the Group's position at the balance sheet date or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

(r) **Segment reporting**

In accordance with the Group's internal financial reporting the Group has determined that business segments be presented as the primary reporting format and geographical as the secondary reporting format.

(s) **Employee benefits**

(i) Obligations for contributions to defined contribution retirement plans, including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as expenses in the consolidated income statement as incurred.

(ii) Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

(iii) Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

Notes to the Financial Statements

For the year ended 31 December 2003

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

(t) **Taxation**

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowable. Hong Kong profits tax is provided at the rate prevailing for the year based on the assessable profit for the year less allowable losses, if any, brought forward.

Deferred taxation is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred taxation is charged or credited to the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred taxation is also dealt with in equity.

(u) **Discontinuing operations**

A discontinuing operation is a clearly distinguishable component of the Group's business that is disposed of or abandoned pursuant to a single plan, and which represents a separate major line of business or geographical area of operations.

Notes to the Financial Statements

For the year ended 31 December 2003

4. REVENUE AND TURNOVER

	Group	
	2003 HK\$'000	2002 HK\$'000
Turnover		
Construction contracts in Hong Kong	2,026	12,664
Construction contracts in the PRC	12,036	9,368
Provision of network security services	–	1,172
Hotel operation	–	1,441
	14,062	24,645
Other revenue		
Interest income		
– bank deposits	1	97
– others	–	21
Write back of over provided job costs	–	1,566
Profit guarantee related to acquisition of a subsidiary	12,000	8,000
Profit guarantee related to acquisition of associated companies	7,000	–
Waiver of interest on convertible loan notes	–	1,030
Waiver of accounts payable	1,368	–
Bad debts recovery	3,799	–
Others	23	4,724
	24,191	15,438
Total revenue	38,253	40,083

Notes to the Financial Statements

For the year ended 31 December 2003

4. REVENUE AND TURNOVER (Continued)

Primary reporting format – business segments

	Turnover		Operating profit/(loss)	
	2003 HK\$'000	2002 HK\$'000	2003 HK\$'000	2002 HK\$'000
Construction contracts in Hong Kong	2,026	12,664	(89,940)	(19,329)
Construction contracts in the PRC	12,036	9,368	(15,580)	330
Provision of network security services	–	1,172	–	(151,910)
Hotel operation	–	1,441	(16,808)	(16,284)
Money lending	–	–	(15)	(42,910)
	<u>14,062</u>	<u>24,645</u>	<u>(122,343)</u>	<u>(230,103)</u>
Loss on disposal of subsidiaries			–	(1,905)
Impairment loss on investments in associated companies			(11,862)	–
Impairment loss on investments held for resale			(115,739)	(30,816)
Share of results of associated companies			2	(486)
Amortisation of premium on acquisition of associated companies			(7,764)	(5,823)
Finance costs			<u>(4,039)</u>	<u>(4,633)</u>
Loss from operating activities before taxation			(261,745)	(273,766)
Taxation			<u>(596)</u>	<u>–</u>
Loss from operating activities after taxation			(262,341)	(273,766)
Minority interest			<u>–</u>	<u>60,762</u>
Loss attributable to shareholders			<u>(262,341)</u>	<u>(213,004)</u>

Notes to the Financial Statements

For the year ended 31 December 2003

4. REVENUE AND TURNOVER (Continued)

Primary reporting format – business segments

	Construction contracts		Provision of network security services		Hotel operation		Money lending		Unallocated		Total	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	2,199	6,913	-	191,645	-	18,176	5	78	-	-	2,204	216,812
Investments	-	1,063	-	-	-	-	-	-	-	-	-	1,063
Unallocated assets	-	-	-	-	-	-	-	-	-	-	6,132	37,342
Total assets	2,199	7,976	-	191,645	-	18,176	5	78	-	-	8,336	255,217
Segment liabilities	80,835	22,249	-	1,552	-	1,373	1	-	-	-	80,836	25,174
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	105,061	80,744
Total liabilities	80,835	22,249	-	1,552	-	1,373	1	-	-	-	185,897	105,918
Capital expenditure	-	96	-	-	-	-	-	-	622	745	622	841
Depreciation and amortisation	-	59	-	139,670	14,551	12,126	-	-	705	2,119	15,256	153,974
Provision for doubtful debts and loans receivable	529	977	-	12,000	-	-	-	42,938	5,472	7,250	6,001	63,165
Provision for claims and litigation losses	63,486	-	-	-	-	-	-	-	26,446	-	89,932	-

Secondary reporting format – geographical segments

	Turnover		Operating loss		Total assets		Capital expenditure	
	2003	2002	2003	2002	2003	2002	2003	2002
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	2,026	12,664	(95,627)	(105,416)	6,456	45,066	622	841
PRC	12,036	11,981	(146,495)	(167,864)	1,880	210,151	-	-
Singapore	-	-	(19,623)	(486)	-	-	-	-
Total	14,062	24,645	(261,745)	(273,766)	8,336	255,217	622	841

Notes to the Financial Statements

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5. OPERATING LOSS

Operating loss is stated after charging and crediting the following:

	Group	
	2003	2002
	HK\$'000	HK\$'000
Charging:		
Amortisation of intangible assets (<i>note 13</i>)		
Hotel operating licence	14,551	12,126
Patents and trademarks	–	139,083
Goodwill	–	517
	<u>14,551</u>	<u>151,726</u>
Auditors' remuneration	450	500
Depreciation	705	2,248
Impairment loss on intangible assets	2,426	–
Impairment loss on club membership	125	700
Property, plant and equipment written off	1,064	–
Loss on disposal of property, plant and equipment	–	582
Loss on disposal of club membership	193	–
Loss on disposal of subsidiaries	–	1,905
Operating leases:		
Hire of office equipment	208	185
Land and buildings	2,116	3,267
Provision for claims	17,270	–
Provision for litigation losses	72,662	–
Provision for doubtful debts and loans receivable	6,001	63,165
Warranty claims on a disposed subsidiary	6,000	–
Retirement benefit costs (<i>note 11</i>)	35	181
Staff costs (including directors' emoluments, <i>note 12</i>)	8,279	10,564
Crediting:		
Bad debts recovery	3,799	–
Write back of over provided job costs	–	1,566
	<u>–</u>	<u>1,566</u>

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6. FINANCE COSTS

	Group	
	2003 HK\$'000	2002 HK\$'000
Interest on bank loans and overdraft	–	178
Interest on loan notes and redeemable debentures repayable within five years	3,647	4,426
Others	392	29
	<u>4,039</u>	<u>4,633</u>

7. TAXATION

(a) The amount of taxation in the consolidated income statement represents:

	Group	
	2003 HK\$'000	2002 HK\$'000
Hong Kong profits tax	–	–
PRC income taxes	596	–
	<u>596</u>	<u>–</u>

No provision for Hong Kong profits tax is required since the Group has no assessable profit in Hong Kong for the year. In 2003, the Hong Kong Government enacted a change in the profits tax rate from 16% to 17.5% for the year of assessment 2003/04. PRC income taxes are calculated at tax rates applicable in the PRC in which a subsidiary of the Group is assessable for tax.

Notes to the Financial Statements

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7. TAXATION (Continued)

(b) Reconciliation between taxation and tax at the applicable rate:

	Group	
	2003	2002
	HK\$'000	HK\$'000
Loss before taxation	<u>(261,745)</u>	<u>(273,766)</u>
Tax at the applicable tax rate	(45,543)	(43,943)
Tax effect of income that is not taxable in determining taxable profit	(3,325)	(1,195)
Tax effect of expenses that are not deductible in determining taxable profit	38,534	41,949
Tax effect of utilisation of tax losses not previously recognised	–	(62)
Tax effect of unused tax losses not recognised	10,892	3,251
Effect of different tax rates of subsidiaries operating in other jurisdiction	<u>38</u>	<u>–</u>
Taxation charge	<u><u>596</u></u>	<u><u>–</u></u>

The applicable tax rate represents the weighted average of the rates of taxation prevailing in the relevant jurisdictions in which the Group operates.

(c) Deferred tax assets are not recognised for temporary differences and tax losses carried forward due to uncertainty of realisation of the related tax benefit through the future taxable profits. The tax effect on temporary differences and unrecognised tax losses was approximately HK\$59,141,000 (2002: HK\$31,685,000) as at 31 December 2003. Certain tax losses are yet to be agreed by the Hong Kong Inland Revenue Department.

Notes to the Financial Statements

For the year ended 31 December 2003

8. DISCONTINUED OPERATIONS

Pursuant to an underwriting agreement and a supplementary underwriting agreement, the Group is granted a right to manage and operate a hotel wholly-owned by a third party for a period of two years from 8 March 2002 to 7 March 2004. The Company after reviewing the hotel management operation has resolved not to provide additional financial resources to support such operation.

As a result, the hotel management operation was considered as a discontinued operation.

Included in the operating results were the operating results of the discontinued business operations as follows:

	2003 HK\$'000	2002 HK\$'000
Revenue	–	1,441
Cost	<u>(1,200)</u>	<u>(3,610)</u>
Loss from operating activities	<u><u>(1,200)</u></u>	<u><u>(2,169)</u></u>

9. LOSS ATTRIBUTABLE TO SHAREHOLDERS

The loss attributable to shareholders is dealt with in the income statement of the Company to the extent of HK\$301,525,000 (2002: HK\$182,615,000).

10. LOSS PER SHARE

The calculation of basic loss per share is based on the Group's loss attributable to shareholders of HK\$262,341,000 (2002: HK\$213,004,000) and on the weighted average number of 100,092,544 (2002: 88,871,600 (restated) adjusted to reflect the share consolidation during the year) ordinary shares in issue during the year.

The diluted loss per share for the year ended 31 December 2002 was not shown as the ordinary shares issuable under outstanding share options and convertible loan notes were anti-dilutive. There was no potential dilutive shares during the year ended 31 December 2003.

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11. RETIREMENT BENEFIT COSTS

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. The MPF Scheme became effective on 1 December 2000. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with employees when contributed into the MPF Scheme.

The total cost charged to the consolidated income statement of approximately HK\$35,000 (2002: HK\$181,000) represents contributions payable to the MPF Scheme by the Group at rates specified in the rules of the MPF Scheme. As at 31 December 2003, contributions of HK\$Nil (2002: HK\$70,000) due in respect of the current reporting period had not been paid over the MPF Scheme.

12. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

Directors' emoluments, disclosed pursuant to Section 161(1) of the Companies Ordinance and the Listing Rules of The Stock Exchange of Hong Kong Limited, were as follows:

	Group			
	Executive directors		Non-executive directors	
	2003 HK\$'000	2002 HK\$'000	2003 HK\$'000	2002 HK\$'000
Fees	–	–	–	271
Other emoluments:				
Basic salaries	6,129	5,780	–	–
Retirement benefit costs	9	39	–	–
Other allowances	–	346	–	–
	<u>6,138</u>	<u>6,165</u>	<u>–</u>	<u>271</u>

During the year, no emoluments were paid to independent non-executive directors of the Company.

Out of the total emoluments of HK\$6,138,000 to executive directors as stated above, HK\$5,318,000 are unpaid and included under accruals and other payables in the Company's balance sheet on page 24 to the financial statements. These HK\$5,318,000 has been included in the Creditors' Scheme as disclosed in note 2 to the financial statements.

Notes to the Financial Statements

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12. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

The number of directors whose emoluments fell within the following bands is as follows:

	Group	
	2003	2002
HK\$Nil – HK\$ 1,000,000	6	12
HK\$1,000,001 – HK\$1,500,000	3	–
HK\$1,500,001 – HK\$2,000,000	–	–
HK\$2,000,001 – HK\$2,500,000	1	1
HK\$2,500,001 – HK\$3,000,000	–	1
	<u> </u>	<u> </u>

There was no arrangement under which a director waived or agreed to waive any emoluments during the year, except for two non-executive directors have waived a total of HK\$120,000 of emoluments provided in 2002.

Options to acquire shares in the Company were granted to certain directors on 26 April 2001 but all such options were lapsed last year and no option was granted to directors during the year.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include four (2002: four) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining one (2002: one) individual during the year are as follows:

	Group	
	2003 HK\$'000	2002 HK\$'000
Basic salaries	456	580
Retirement benefit costs	8	12
	<u> </u>	<u> </u>
	<u>464</u>	<u>592</u>

The number of individuals whose emoluments fell within the following bands is as follows:

	Group	
	2003	2002
HK\$Nil – HK\$1,000,000	<u> </u> 1	<u> </u> 1

Notes to the Financial Statements

For the year ended 31 December 2003

13. INTANGIBLE ASSETS

Group

	Goodwill	Patents and	Hotel	Total
	HK\$'000	trademarks	operating	HK\$'000
		HK\$'000	licence	
			HK\$'000	HK\$'000
Cost				
At 1 January 2003	2,385	327,255	29,103	358,743
Deconsolidation of a subsidiary	<u>(2,385)</u>	<u>(327,255)</u>	–	<u>(329,640)</u>
At 31 December 2003	<u>–</u>	<u>–</u>	<u>29,103</u>	<u>29,103</u>
Amortisation and impairment				
At 1 January 2003	517	139,083	12,126	151,726
Deconsolidation of a subsidiary	<u>(517)</u>	<u>(139,083)</u>	–	<u>(139,600)</u>
Charge for the year	–	–	14,551	14,551
Impairment loss	<u>–</u>	<u>–</u>	<u>2,426</u>	<u>2,426</u>
At 31 December 2003	<u>–</u>	<u>–</u>	<u>29,103</u>	<u>29,103</u>
Net book value				
At 31 December 2003	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
At 31 December 2002	<u>1,868</u>	<u>188,172</u>	<u>16,977</u>	<u>207,017</u>

Notes to the Financial Statements

For the year ended 31 December 2003

14. PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold improvements HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Cost				
At 1 January 2003	5,936	1,138	185	7,259
Additions	241	381	–	622
Deconsolidation of a subsidiary	–	(308)	(185)	(493)
Write off	(5,936)	(326)	–	(6,262)
	<u>241</u>	<u>885</u>	<u>–</u>	<u>1,126</u>
At 31 December 2003				
Accumulated depreciation				
At 1 January 2003	4,195	890	37	5,122
Charge for the year	702	3	–	705
Deconsolidation of a subsidiary	–	(5)	(37)	(42)
Write off	(4,874)	(324)	–	(5,198)
	<u>23</u>	<u>564</u>	<u>–</u>	<u>587</u>
At 31 December 2003				
Net book value				
At 31 December 2003	<u>218</u>	<u>321</u>	<u>–</u>	<u>539</u>
At 31 December 2002	<u>1,741</u>	<u>248</u>	<u>148</u>	<u>2,137</u>

Notes to the Financial Statements

For the year ended 31 December 2003

15. INVESTMENTS

(a) Group – Investments held for resale

	2003 HK\$'000	2002 HK\$'000
Unlisted shares, at cost	142,778	28,672
Amount due from investments held for resale	3,777	2,144
Less: Impairment loss	<u>(146,555)</u>	<u>(30,816)</u>
	<u> </u>	<u> </u>
	-	-

- (i) Investments held for resale were related to two investments in respect of (a) a subsidiary whose subsidiaries own the film copyright and licences and (b) a subsidiary engaged in provision of network security services.
- (ii) The directors after a detail review of the earning potential and financial position of the subsidiary engaged in provision of network security services have decided not to provide additional financial resources. As a result, the subsidiary was reclassified as investment held for resale during the year. Hence, the financial statements of the subsidiary has been excluded from consolidation.
- (iii) Included in impairment loss of HK\$146,555,000 as at 31 December 2003 was HK\$115,739,000 for impairment loss made during the year in relation to the investment engaged in provision of network security services.

Notes to the Financial Statements

For the year ended 31 December 2003

15. INVESTMENTS (Continued)

(b) Company – Investments in subsidiaries

	2003 HK\$'000	2002 HK\$'000
Unlisted shares, at cost	155,540	181,325
Less: Impairment loss	<u>(155,540)</u>	<u>(132,336)</u>
	–	<u>48,989</u>
Amounts due from subsidiaries	381,480	410,610
Less: Provision	<u>(381,480)</u>	<u>(165,000)</u>
	–	<u>245,610</u>
Amounts due to subsidiaries	<u>–</u>	<u>(68,687)</u>
	<u>–</u>	<u>225,912</u>

Amounts due from/(to) subsidiaries are unsecured, interest-free and have no fixed repayment terms.

Notes to the Financial Statements

For the year ended 31 December 2003

15. INVESTMENTS (Continued)

(b) Company – Investments in subsidiaries (Continued)

The following is a list of the principal subsidiaries at 31 December 2003:

Company name	Place of incorporation and principal operation	Issued and paid up share capital	Equity interest attributable to the Group	Principal activities
Prosperity Construction and Decoration Limited *	Hong Kong	HK\$5,000,000	100%	Construction contractor
Prosperity Construction and Decoration (HK) Limited *	Hong Kong	HK\$2	100%	Construction contractor
Prosperity Construction (Hong Kong) Limited *	Hong Kong	HK\$2	100%	Construction contractor
Prosper eVision Finance Limited *	Hong Kong	HK\$2	100%	Provision of money lending services
Prosper eVision Management Limited *	Hong Kong	HK\$2	100%	Provision of management services
Keyway China Limited @ *	British Virgin Islands/PRC	US\$100	100%	Construction contractor
United Bright Holdings Limited *	Hong Kong	HK\$2	100%	Provision of management services

* Limited liability companies

@ Shares held directly by the Company

The above table sets out the subsidiaries which, in the opinion of the directors, materially affected the amounts of the results for the year or the net liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes to the Financial Statements

For the year ended 31 December 2003

16. INVESTMENTS IN ASSOCIATED COMPANIES

(a)

	Group	
	2003 HK\$'000	2002 HK\$'000
Share of net liabilities	(1,724)	(1,726)
Premium on acquisition of associated companies	27,173	27,173
Less: Amortisation of premium on acquisition	(13,587)	(5,823)
Less: Impairment loss	(11,862)	-
	<u>-</u>	<u>19,624</u>

(b) Details of the associated companies at 31 December 2003 are as follows:

Company name	Place of incorporation and principal operation	Class of shares	Effective holding	Principal activities
Great Win International Limited	British Virgin Islands	Common	35%	Investment holding
Intwell Technology (S) Pte Limited	Singapore	Ordinary	35%	System integration and training
Intwell Professional Training & Consultancy Pte Limited	Singapore	Ordinary	35%	System integration and training

Notes to the Financial Statements

For the year ended 31 December 2003

17. CLUB MEMBERSHIP

	Group	
	2003 HK\$'000	2002 HK\$'000
At cost	370	1,763
Less: Impairment loss	(125)	(700)
	245	1,063
	245	1,063

18. CONSTRUCTION CONTRACTS IN PROGRESS

	Group	
	2003 HK\$'000	2002 HK\$'000
Costs incurred plus attributable profit less foreseeable losses	-	64,929
Less: Progress billings	-	(64,590)
	-	339
	-	339
Amounts due from customers on construction contracts	-	568
Amounts due to customers on construction contracts	-	(229)
	-	339
	-	339

At 31 December 2003, retention held by customers for contract work included in prepayments, deposits and other receivables of the Group amounted to HK\$186,000 (2002: HK\$1,437,000).

At 31 December 2003, retention held by the Group for contract work included in accruals and other payables amounted to HK\$673,000 (2002: HK\$1,725,000).

Notes to the Financial Statements

For the year ended 31 December 2003

19. ACCOUNTS RECEIVABLE

The Group has a policy of allowing its trade customers with credit period normally between 30 to 60 days or terms in accordance with construction contracts. The ageing analysis is as follows:

	Group	
	2003 HK\$'000	2002 HK\$'000
Less than 3 months	1,693	2,169
3 months to 6 months	-	-
6 months to 1 year	-	-
Over 1 year	4,767	4,867
Less: Provision for doubtful debts	(4,767)	(4,767)
	<u>1,693</u>	<u>2,269</u>

20. LOANS RECEIVABLE

	Group	
	2003 HK\$'000	2002 HK\$'000
Loans receivable	75,584	75,584
Less: Provision on loans receivable	(75,584)	(75,584)
	<u>-</u>	<u>-</u>

21. ACCOUNTS PAYABLE

	Group		Company	
	2003 HK\$'000	2002 HK\$'000	2003 HK\$'000	2002 HK\$'000
Less than 3 months	1,371	1,155	-	-
3 months to 6 months	17,270	2,491	17,270	-
6 months to 1 year	127	-	-	-
Over 1 year	13,441	10,810	-	-
	<u>32,209</u>	<u>14,456</u>	<u>17,270</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 December 2003

22. SHARE CAPITAL

(a) Share capital

	Number of shares '000	Par value HK\$'000
Authorised:		
Ordinary shares of HK\$0.10 each at 1 January 2002	2,000,000	200,000
Increase in authorised ordinary share capital	<u>2,000,000</u>	<u>200,000</u>
Ordinary shares of HK\$0.10 each at 31 December 2002	4,000,000	400,000
Share consolidation (<i>note (i)</i>)	<u>(3,800,000)</u>	<u>-</u>
Ordinary shares of HK\$2 each at 31 December 2003	<u>200,000</u>	<u>400,000</u>
Issued and fully paid:		
Ordinary shares of HK\$0.10 each at 1 January 2002	1,498,505	149,850
Placement of ordinary shares	290,000	29,000
Shares issued for conversion of convertible loan notes	<u>151,956</u>	<u>15,196</u>
Ordinary shares of HK\$0.10 each at 31 December 2002	1,940,461	194,046
Shares issued for debt equity swap arrangements (<i>note (ii)</i>)	108,774	10,877
Share consolidation (<i>note (i)</i>)	<u>(1,946,773)</u>	<u>-</u>
Ordinary shares of HK\$2 each at 31 December 2003	<u>102,462</u>	<u>204,923</u>

Notes:

- (i) Pursuant to resolutions passed at a special general meeting held on 1 December 2003, every twenty issued and unissued shares of HK\$0.10 each in the capital of the Company be consolidated into one share of HK\$2.00 each.
- (ii) In May 2003, the Group has entered into settlement agreements ("Debt Equity Swap") with 16 creditors whereby these creditors agreed to accept 108,774,440 new shares of the Company at HK\$0.10 each as full and final settlements of the aggregate liabilities due to these creditors amounting to HK\$10,877,000.

Notes to the Financial Statements

For the year ended 31 December 2003

22. SHARE CAPITAL (Continued)

(b) Share option scheme

On 11 June 1997, the Company in general meeting adopted a share option scheme under which the directors may, at their discretion and at any time during the ten years from the date of adoption, invite any full-time employee or executive director of the Group to take up options to subscribe for shares of the Company. The subscription price may not be less than the greater of 80% of the average closing price of the Company's shares as quoted on The Stock Exchange of Hong Kong Limited ("Stock Exchange") for the five trading days immediately preceding the date of offer of the option or the nominal value of the Company's shares. The maximum number of shares in respect of which options may be granted may not exceed 10% of the issued share capital of the Company excluding any shares issued on the exercise of option from time to time. The scheme became effective upon the listing of the Company's shares on the Stock Exchange on 26 June 1997.

As at 31 December 2003, there were no outstanding share options granted.

Notes to the Financial Statements

For the year ended 31 December 2003

23. RESERVES

(a) Group

	Share premium HK\$'000	Contributed surplus HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2002	446,088	22,130	659	(388,281)	80,596
Premium arising on issue of shares, net of issuing expenses	120	-	-	-	120
Premium arising on conversion of convertible loan notes	12,804	-	-	-	12,804
Exchange differences arising on consolidation	-	-	(90)	-	(90)
Loss for the year	-	-	-	(213,004)	(213,004)
At 31 December 2002	459,012	22,130	569	(601,285)	(119,574)
Realisation of exchange reserve on deconsolidation of a subsidiary (note 27(b))	-	-	(569)	-	(569)
Loss for the year	-	-	-	(262,341)	(262,341)
At 31 December 2003	<u>459,012</u>	<u>22,130</u>	<u>-</u>	<u>(863,626)</u>	<u>(382,484)</u>
Company and subsidiaries	459,012	22,130	569	(600,799)	(119,088)
Associated companies	-	-	-	(486)	(486)
At 31 December 2002	<u>459,012</u>	<u>22,130</u>	<u>569</u>	<u>(601,285)</u>	<u>(119,574)</u>
Company and subsidiaries	459,012	22,130	-	(863,142)	(382,000)
Associated companies	-	-	-	(484)	(484)
At 31 December 2003	<u>459,012</u>	<u>22,130</u>	<u>-</u>	<u>(863,626)</u>	<u>(382,484)</u>

The contributed surplus of the Group represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the Group's reorganisation scheme completed on 11 June 1997 over the nominal value of the Company's shares issued in exchange.

Notes to the Financial Statements

For the year ended 31 December 2003

23. RESERVES (Continued)

(b) Company

	Share premium HK\$'000	Contributed surplus HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2002	446,088	77,536	(309,283)	214,341
Premium arising on issue of shares, net of issuing expenses	120	–	–	120
Premium arising on conversion of convertible loan notes	12,804	–	–	12,804
Impairment loss on investments	–	(77,536)	–	(77,536)
Loss for the year	–	–	(182,615)	(182,615)
At 31 December 2002	459,012	–	(491,898)	(32,886)
Loss for the year	–	–	(301,525)	(301,525)
At 31 December 2003	<u>459,012</u>	<u>–</u>	<u>(793,423)</u>	<u>(334,411)</u>

24. SHAREHOLDER'S LOAN

The shareholder's loan is unsecured and interest-bearing at prime rate plus 2%. The principal amount of HK\$7,850,000 (excluding interest of HK\$275,000) as at 31 December 2003 has been included in the Creditors' Scheme as disclosed in note 2 to the financial statements. Interest of HK\$275,000 (2002: HK\$Nil) were charged to the consolidated income statement for the year ended 31 December 2003.

Notes to the Financial Statements

For the year ended 31 December 2003

25. LOAN NOTES

(a) Redeemable debentures

On 27 November 2001, the Company issued redeemable debentures in the aggregate amount of HK\$201,800,000 as consideration of acquisition of certain subsidiaries. These debentures bear interest at 6% per annum with maturity date three years from the date of issuance. If the debentures are redeemed in whole or in part within one year from the date of issuance, no interest will be payable on the part that are so redeemed.

During the year, a total of HK\$12,800,000 (2002: HK\$68,000,000) debentures were settled. The aggregate amount of the debentures outstanding as at 31 December 2003 was HK\$40,000,000 (2002: HK\$52,800,000). The HK\$40,000,000 has been included in the Creditors' Scheme as disclosed in note 2 to the financial statements.

(b) Loan notes

On 26 March 2002, the Company issued convertible loan notes in the aggregate amount of HK\$35,000,000 as consideration of acquisition of a subsidiary. These convertible loan notes bear interest at 3% per annum with maturity date three years from the date of issuance and are repayable after three years from the date of issuance or convertible into shares of the Company at the conversion price of HK\$0.1268 at any time after the date of issuance. During the year, HK\$Nil (2002: HK\$18,000,000) were converted.

Pursuant to an agreement dated 29 October 2003 between the Company and the convertible loan notes holder ("noteholder"), the noteholder waived and agreed to extinguish its conversion rights to the extent that such rights are irrevocably lapsed and waived.

As at 31 December 2003, the loan notes outstanding was reduced to HK\$10,000,000. The HK\$10,000,000 has been included in the Creditors' Scheme as disclosed in note 2 to the financial statements.

26. ACCOUNTS PAYABLE, ACCRUALS AND OTHER PAYABLES

(a) Group

Included in accounts payable, accruals and other payables were HK\$17,270,000 and HK\$72,662,000 related to provision for claims and provision for litigation losses respectively. The HK\$17,270,000 claims were received during the year in respect of two construction and renovation projects in the PRC. Such sums were provided in full in current year.

The HK\$72,662,000 litigation losses represent legal proceedings filed against the Group in previous years with court judgements against the Group during the year. Such legal proceedings were not provided for and disclosed as contingent liabilities in financial statements for the year ended 2002 since the directors considered the outcome of the judgements cannot be reliably estimated at that time.

Notes to the Financial Statements

For the year ended 31 December 2003

26. ACCOUNTS PAYABLE, ACCRUALS AND OTHER PAYABLES (Continued)

(b) Company

Included in accounts payable, accruals and other payables were HK\$17,270,000 and HK\$36,283,000 related to provision for claims and provision for litigation losses respectively. The HK\$17,270,000 claims were received during the year in respect of two construction and renovation projects in the PRC. Such sums were provided in full in current year.

The HK\$36,283,000 litigation losses represent legal proceedings filed against the Company in previous years with court judgements against the Company during the year. Such legal proceedings were not provided for and disclosed as contingent liabilities in financial statements for the year ended 2002 since the directors considered the outcome of the judgements cannot be reliably estimated at that time.

27. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

(a) Analysis of changes in financing during the year:

	2003			2002
	Share capital and share premium HK\$'000	Loan notes, debenture and promissory notes HK\$'000	Total HK\$'000	Total HK\$'000
Beginning of year	653,058	69,800	722,858	742,497
Shares issued for debt equity swap arrangements	10,877	(800)	10,077	29,120
Convertible loan notes issued for non-cash consideration	-	-	-	35,000
Non-cash consideration for settlement for loan notes and debentures	-	(19,000)	(19,000)	(41,000)
Redemption on debentures and promissory notes	-	-	-	(47,000)
Promissory notes issued for acquisition of a subsidiary	-	-	-	20,000
Net repayment of banks loans and other loans for non-cash consideration	-	-	-	(15,759)
End of year	<u>663,935</u>	<u>50,000</u>	<u>713,935</u>	<u>722,858</u>

Notes to the Financial Statements

For the year ended 31 December 2003

27. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Deconsolidation of a subsidiary

	HK\$'000
Net assets deconsolidated	
Intangible assets	190,040
Property, plant and equipment	451
Prepayments, deposits and other receivables	2,189
Bank and cash balances	6
Accruals and other payables	(1,548)
Provision for taxation	(3)
Reserves	(569)
Minority interest	(74,827)
	<u>115,739</u>

28. LEASE COMMITMENTS

As at 31 December 2003, the Group had the following operating lease commitments:

	Group	
	2003 HK\$'000	2002 HK\$'000
Total future minimum lease payments under non-cancellable operating leases in respect of		
Land and buildings:		
Within one year	369	2,138
In the second to fifth years, inclusive	<u>225</u>	<u>1,328</u>
	<u>594</u>	<u>3,466</u>
Office equipment:		
Within one year	208	208
In the second to fifth years, inclusive	<u>69</u>	<u>276</u>
	<u>277</u>	<u>484</u>
	<u>871</u>	<u>3,950</u>

Notes to the Financial Statements

For the year ended 31 December 2003

29. CONTINGENT LIABILITIES

As at 31 December 2003, there were contingent liabilities in respect of certain legal proceedings against certain subsidiaries of the Company with their customers or sub-contractors in respect of alleged contractual entitlements. The aggregate amount of claims was approximately HK\$8,483,000 (2002: HK\$5,190,000). In the opinion of the directors, the liabilities were remote and no provision has been made in the financial statements.

30. RELATED PARTY TRANSACTIONS

- (a) The balances with related parties were unsecured and interest-bearing. Details please refer to note 24 to the financial statements.
- (b) During the year, the Group generated HK\$1,667,000 (2002: HK\$Nil) construction revenue in relation to two construction contracts, which were entered into on normal commercial terms with a company of which an executive director is a beneficial shareholder.

31. POST BALANCE SHEET EVENTS

- (i) On 27 April 2004, the Capital Reorganisation and the Creditors' Scheme became effective and the Open Offer became unconditional and that all conditions precedent to such restructuring proposal, details of which are set out in note 2 to the financial statements, have been fulfilled and the restructuring was completed on the same date.
- (ii) After the Capital Reorganisation and the Creditors' Scheme became effective and the Open Offer became unconditional on 27 April 2004, a shareholder and an executive director who has 10.49% beneficial interest in the Company increased its beneficial interests to 51.7%.
- (iii) On 6 April 2004, the winding up petition which was served on behalf of Mr. Alfred Siu, an ex-chairman of the Company, was dismissed.

32. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current year's presentation.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the board of directors on 29 April 2004.