

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2004

	Note	2004 HK\$'000	2003 HK\$'000 (As restated)
Turnover	4	123,522	43,104
Direct operating costs		(35,943)	(35,963)
Cost of sales		<u>(46,815)</u>	<u>–</u>
Gross profit		40,764	7,141
Other revenue	7	4,255	1,842
Selling and distribution costs		(26,267)	–
Administrative expenses		(26,813)	(41,415)
Other operating (expenses)/income, net	8	<u>(9,708)</u>	<u>473</u>
Loss from operations	9	(17,769)	(31,959)
Finance costs	11	(4,878)	–
Gain on disposal of a subsidiary	31(b)	488	–
Loss on disposal of partial interest in a subsidiary		–	(10,237)
Amortisation of goodwill arising on acquisition of subsidiaries		(941)	–
Amortisation of goodwill arising on acquisition of associates		(2,323)	(19,516)
Impairment losses recognised in relation to associates	12	(12,413)	(190,430)
Provision for loan receivables		(14)	(13,502)
Provision for deposits paid for potential investments		–	(27,170)
Reserve realised upon expiry of warrants	28	33,392	–
Interest in an associate written off		(22)	–
Share of results of associates		135	(3,009)
Loss from ordinary activities before taxation		(4,345)	(295,823)
Taxation	13	<u>(656)</u>	<u>610</u>
Loss before minority interests		(5,001)	(295,213)
Minority interests		<u>(42)</u>	<u>93</u>
Net loss for the year	14	<u>(5,043)</u>	<u>(295,120)</u>
Loss per share – Basic	15	<u>(1.8 cents)</u>	<u>(194.0 cents)</u>

The Notes on pages 29 to 78 form an integral part of these financial statements.