

## CONSOLIDATED INCOME STATEMENT

For the Fifteen Months ended 31 March 2004

	NOTES	1.1.2003 to 31.3.2004 HK\$'000	1.1.2002 to 31.12.2002 HK\$'000
Turnover	5	5,083	70,354
Cost of sales and services		<u>(3,352)</u>	<u>(52,216)</u>
Gross profit		1,731	18,138
Other operating income	7	709	2,398
Distribution costs		(6,948)	(19,942)
Administrative expenses		(26,597)	(55,775)
Other operating expenses		(5,417)	(5,399)
Impairment loss recognised in respect of property, plant and equipment		(9,971)	(785)
Impairment loss recognised in respect of long term investments		(3,900)	—
Allowance for a loan to Acme Landis Operations Holdings Limited, a former subsidiary		(3,297)	(42,115)
Allowance for doubtful debts		(1,155)	(6,082)
Allowance for amounts due from associates		<u>(317)</u>	<u>—</u>
Loss from operations	9	(55,162)	(109,562)
Loss on disposal of subsidiaries/discontinued operations	31	(539)	(4,615)
Finance costs	10	(1,960)	(37)
Share of results of an associate		(4)	(13,991)
Impairment loss recognised in respect of goodwill of an associate		—	(48,807)
Allowance for loans to an associate		—	(14,216)
Share of results of jointly controlled entities		(72)	(65)
Loss before taxation		(57,737)	(191,293)
Taxation	12	<u>—</u>	<u>309</u>
Loss before minority interests		(57,737)	(190,984)
Minority interests		<u>—</u>	<u>(440)</u>
Net loss for the period/year		<u>(57,737)</u>	<u>(191,424)</u>
Basic loss per share	13	<u>HK\$(0.97)</u>	<u>HK\$(4.98)</u>