

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2004

	Notes	2004 HK\$'000	2003 HK\$'000
Turnover		40,655	59,138
Cost of sales		<u>(31,364)</u>	<u>(48,220)</u>
Gross profit		9,291	10,918
Other operating income		7,942	3,584
Administrative expenses		(64,458)	(78,787)
Amortisation of development costs		(18,706)	(18,431)
Research and development expenditures		(4,815)	(9,356)
Allowances for other debtors and deposits		(1,123)	(25,975)
Net unrealised gain (loss) on other investments		15,600	(5,565)
Amortisation of goodwill		<u>–</u>	<u>(220)</u>
Loss from operations	5	(56,269)	(123,832)
Share of results of associates		(9,514)	(8,518)
Share of result of a jointly controlled entity		(1,136)	(2,607)
Gain on disposal of an associate		1,995	–
Loss on deemed disposal of an associate		(1,548)	–
Finance costs	6	(9)	(16)
Impairment loss recognised in respect of goodwill reserve	25	(6,000)	–
Gain on disposal of subsidiaries		–	16,328
Allowance for loans to associates		–	(28,000)
Impairment loss recognised in respect of goodwill arising on acquisition of an associate		–	(4,389)
Gain on expiry of warrants		<u>–</u>	<u>97</u>
Loss before taxation		(72,481)	(150,937)
Taxation credit	8	<u>–</u>	<u>141</u>
Loss before minority interests		(72,481)	(150,796)
Minority interests		<u>14</u>	<u>1,434</u>
Net loss for the year		<u>(72,467)</u>	<u>(149,362)</u>
Loss per share – basic and diluted	9	<u>HK(2.37) cents</u>	<u>HK(4.99) cents</u>