

Balance Sheet

As at 31 December 2004

| | Notes | 2004 HK\$'000 | 2003 HK\$'000 |
|--|-------|------------------|------------------|
| Non-current assets | | | |
| Property, plant and equipment | 15 | 494 | 651 |
| Interests in subsidiaries | 16 | 103,961 | 230,735 |
| | | <u>104,455</u> | <u>231,386</u> |
| Current assets | | | |
| Trade and other receivables | 20 | 316 | 360 |
| Cash and cash equivalents | 23 | 11,186 | 3,307 |
| | | <u>11,502</u> | <u>3,667</u> |
| Current liabilities | | | |
| Trade and other payables | 24 | 3,005 | 4,393 |
| Convertible debentures | 25 | — | 2,186 |
| Promissory notes | 27 | 25,200 | 8,000 |
| Convertible notes | 27 | 45,000 | — |
| Amounts due to directors | 28 | 3,101 | — |
| | | <u>76,306</u> | <u>14,579</u> |
| Net current liabilities | | <u>(64,804)</u> | <u>(10,912)</u> |
| Total assets less current liabilities | | <u>39,651</u> | <u>220,474</u> |
| Non-current liabilities | | | |
| Promissory notes | 27 | — | 28,000 |
| Convertible notes | 27 | — | 50,000 |
| | | <u>—</u> | <u>78,000</u> |
| | | <u>39,651</u> | <u>142,474</u> |

Balance Sheet

As at 31 December 2004

| | Notes | 2004 HK\$'000 | 2003 HK\$'000 |
|-----------------------------|-------|------------------|------------------|
| Capital and reserves | | | |
| Share capital | 30 | 3,580 | 138,143 |
| Reserves | 32 | 36,071 | 4,331 |
| | | 39,651 | 142,474 |

The financial statements on pages 19 to 62 were approved and authorised for issue by the Board of Directors on 25 April 2005 and signed on its behalf by:

Lo Yuk Yee
CHAIRMAN

He Jin Hong
DEPUTY CHAIRMAN