

Consolidated Income Statement

For the year ended 30 June 2005

| | Notes | 2005 HK\$ | 2004 HK\$ |
|---|-------|--------------|---------------|
| Turnover | 5 | 63,516,614 | 102,732,059 |
| Cost of sales | | (65,348,122) | (101,877,433) |
| Gross (loss)/profit | | (1,831,508) | 854,626 |
| Unrealised holding gains/(losses) on investments in securities, net | | 1,008,112 | (6,278,525) |
| Other revenue | 5 | 755,938 | 101,731 |
| Administrative expenses | | (8,904,359) | (8,101,396) |
| Loss from operations | 7 | (8,971,817) | (13,423,564) |
| Finance costs | 8 | (278,541) | (55,761) |
| Loss before taxation | | (9,250,358) | (13,479,325) |
| Taxation | 11 | - | - |
| Net loss for the year attributable to shareholders | | (9,250,358) | (13,479,325) |
| Loss per share | 12 | | |
| Basic | | (0.15) | (0.37) |
| Diluted | | N/A | N/A |

The accompanying notes form an integral part of these financial statements.