

# Consolidated Income Statement

For the year ended 31st December 2005

|   | Notes | 2005<br>HK\$' million       | 2004<br>HK\$' million       |
|---|-------|-----------------------------|-----------------------------|
| Turnover  | 6     | 41.2                        | 18.2                        |
| Cost of sales   |       | <u>(36.1)</u>               | <u>—</u>                    |
| Gross profit  |       | 5.1                         | 18.2                        |
| Other operating income  |       | 0.5                         | 1.4                         |
| Administrative expenses   |       | (8.5)                       | (9.4)                       |
| Impairment losses recognised in respect of available-for-sale investments                       |       | (31.7)                      | (27.3)                      |
| Decrease in fair value on an investment property  |       | (13.0)                      | (29.3)                      |
| Provision for loss on a guarantee agreement   |       | (22.9)                      | —                           |
| Impairment losses recognised in respect of<br>goodwill arising from acquisition of a subsidiary |       | (7.9)                       | —                           |
| Loss on derivative financial instrument   |       | (0.1)                       | —                           |
| Gain on disposal of an investment property  |       | —                           | 6.8                         |
| Impairment losses recognised in respect of other assets   |       | —                           | (3.6)                       |
| Share of losses of associates   |       | —                           | (18.1)                      |
| Amortisation of goodwill in respect of associates   |       | —                           | (6.3)                       |
| Impairment losses recognised in respect of<br>goodwill arising from acquisition of associates   |       | —                           | (41.3)                      |
| Impairment losses recognised in respect of interests in associates                              |       | <u>—</u>                    | <u>(138.0)</u>              |
| Loss before taxation  | 8     | (78.5)                      | (246.9)                     |
| Taxation  | 9     | <u>(0.2)</u>                | <u>(2.8)</u>                |
| Loss for the year   |       | <u><u>(78.7)</u></u>        | <u><u>(249.7)</u></u>       |
| Dividend  | 12    | <u>—</u>                    | <u>—</u>                    |
| Loss per share  |       |                             |                             |
| Basic   | 13    | <u><u>(24.33) cents</u></u> | <u><u>(85.30) cents</u></u> |
| Diluted   |       | <u><u>N/A</u></u>           | <u><u>N/A</u></u>           |