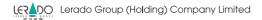
Consolidated Statement of Changes in Equity For the year ended 31st December, 2002

		Share capital HK\$'000	Share premium HK\$'000	reserve	Investment property revaluation reserve HK\$'000	Property revaluation reserve HK\$'000		Enterprise expansion fund HK\$'000	Translation reserve HK\$'000	Goodwill reserve HK\$'000	Capital redemption reserve HK\$'000	Accumulated profits	Total HK\$'000
THE GROUP At 1st January, 2001		72,691	93,611	38,510	262	35,047	11,099	817	920	(88)	_	337,774	590,643
Exchange differ arising from translation of financial sta	of the												
of PRC/over operations Revaluation de		-	-	-	-	-	-	-	(3,122)	-	-	_	(3,122)
investment properties Revaluation sur	plus on	-	_	-	(262)	_	_	_	_	_	_	-	(262)
land and bu	uildings					5,628							5,628
Net (losses) gain recognised income stat	in the		_	_	(262)	5,628	_	_	(3,122)	_	_	_	2,244
Shares repurcho cancelled	ased and	(410)	_	_	_	_	_	_	_	_	_	_	(410)
Premium on rep of shares Transfer of reser		-	(3,225)	-	_	_	_	_	_	-	-	-	(3,225)
cancellation shares Net profit for th	n of	_	_	_	_	_	_	_	_	_	410	(410) 105,945	— 105,945
Transfer of statu							1 490						
Dividends (note	9)			_			1,480			_		(1,480) (72,471)	
At 31st Decemb	oer, 2001	72,281	90,386	38,510	_	40,675	12,579	817	(2,202)	(88)	410	369,358	622,726
Exchange differ arising from translation of financial sto of PRC/over operations Revaluation sur	of the stements rseas	-	_	-	_	-	_	_	40	-	_	-	40
land and bu	uildings					12,413							12,413
Net gains not recognised income stat		_	_		_	12,413	_	_	40	_	_	_	12,453
meeme da	OITIOIII					12,410							12,400
Shares repurche cancelled Premium on rep		(36)	_	-	_	_	_	_	_	_	-	-	(36)
of shares Transfer of reser cancellation	ves for	-	(276)	-	-	_	-	-	-	-	_	-	(276)
shares		_	_	_	_	_	_	_	_	_	36	(36)	
Net profit for the Transfer of statu		_	_	_	_	_	_	_	_	_	_	93,130	93,130
reserves Dividends (note	9)	_	_	_	_	_	_	112 —	_	_	_	(112) (57,796)	
At 31st Decemb		72,245	90,110	38,510	_	53,088	12,579	929	(2,162)	(88)	446		670,201



Consolidated Statement of Changes in Equity

For the year ended 31st December, 2002

For the year ended 31st December, 2002, the accumulated profits of the Group include a loss of HK\$883,000 attributable to a jointly controlled entity (2001: HK\$883,000).

The special reserve represents the difference between the nominal value of shares of Lerado Group Limited together with its share premium and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation.

As stipulated by the relevant laws and regulations for foreign investment enterprises in the People's Republic of China (the "PRC"), the PRC subsidiaries of the Group are required to maintain two statutory reserves, being a statutory surplus reserve fund and an enterprise expansion fund which are not distributable. Appropriations to such reserves are made out of net profit after taxation as per the statutory accounts of the PRC subsidiaries and the amount and allocation basis are decided by the respective board of directors annually.