

## STATEMENTS OF CHANGES IN EQUITY (FOR THE YEAR ENDED 31 DECEMBER 2002)

### THE GROUP

	Issued capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000	Investment property revaluation reserve HK\$'000	Goodwill reserve HK\$'000	Translation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1/1/2001	25,890	52,986	(2,215)	5,667	(9,171)	2,201	154,280	229,638
Deficit on revaluation Realised upon transfer of investment properties to properties held for sale	-	-	-	(1,945)	-	-	-	(1,945)
Share of translation reserve of an associate	-	-	-	(20)	-	-	-	(20)
Share of translation reserve of an associate	-	-	-	-	-	1	-	1
Translation of financial statements of overseas subsidiaries	-	-	-	-	-	1,573	-	1,573
Net gain and losses not recognised in the income statement	-	-	-	(1,965)	-	1,574	-	(391)
Shares issued at premium upon placement of shares	-	23,800	-	-	-	-	-	23,800
Share issue expenses	-	(614)	-	-	-	-	-	(614)
Goodwill arising on acquisition of an associate less amortisation	-	-	-	-	(26,531)	-	-	(26,531)
Placement of shares	3,400	-	-	-	-	-	-	3,400
Net loss for the year	-	-	-	-	-	-	(3,818)	(3,818)
At 31/12/2001	29,290	76,172	(2,215)	3,702	(35,702)	3,775	150,462	225,484
Prior year adjustment (note 34)	-	-	-	-	26,531	-	-	26,531
Restated at 1/1/2002	29,290	76,172	(2,215)	3,702	(9,171)	3,775	150,462	252,015
Deficit on revaluation	-	-	-	(1,900)	-	-	-	(1,900)
Translation of financial statements of overseas subsidiaries	-	-	-	-	-	(434)	-	(434)
Net gain and losses not recognised in the income statement	-	-	-	(1,900)	-	(434)	-	(2,334)
Share issue expenses	-	(200)	-	-	-	-	-	(200)
Investments in subsidiaries written off	-	-	-	-	(675)	-	-	(675)
Placement of shares	11,500	-	-	-	-	-	-	11,500
Shares issued under share option scheme	143	-	-	-	-	-	-	143
Shares issued at premium upon placement of shares	-	86,600	-	-	-	-	-	86,600
Shares issued at premium upon exercise of share option	-	874	-	-	-	-	-	874
Net loss for the year	-	-	-	-	-	-	(5,434)	(5,434)
At 31/12/2002	40,933	163,446	(2,215)	1,802	(9,846)	3,341	145,028	342,489
Note:								
Company and subsidiaries	40,933	163,446	(2,215)	1,802	(9,846)	3,340	144,894	342,354
Associate	-	-	-	-	-	1	134	135

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### THE COMPANY

	Issued capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1/1/2001	25,890	52,986	140,281	(420)	218,737
Share issued at premium upon placement of shares	–	23,800	–	–	23,800
Share issue expenses	–	(614)	–	–	(614)
Placement of shares	3,400	–	–	–	3,400
Net loss for the year	–	–	–	(377)	(377)
At 31/12/2001 and 1/1/2002	29,290	76,172	140,281	(797)	244,946
Placement of shares	11,500	–	–	–	11,500
Shares issued under share option scheme	143	–	–	–	143
Share issued at premium upon placement of shares	–	86,600	–	–	86,600
Share issued at premium upon exercise of share options	–	874	–	–	874
Net loss for the year	–	–	–	(4,336)	(4,336)
At 31/12/2002	40,933	163,646	140,281	(5,133)	339,727

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

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In the opinion of the directors, the Company's reserves available for distribution to shareholders are as follows:

	<b>2002</b>	2001
	<b>HK\$'000</b>	HK\$'000
Contributed surplus	<b>140,281</b>	140,281
Accumulated losses	<b>(5,133)</b>	(797)
	<b>135,148</b>	139,484

The notes on pages 26 to 55 form an integral part of these financial statements.