

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2002

Group

	Issued capital	Share premium	Capital reserve (a)	Property revaluation reserve	Cumulative translation adjustments	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1/1/2001	–	–	–	–	(1,291)	142,815	141,524
Issued upon Reorganisation	23,900	–	–	–	–	–	23,900
Capitalisation issue	100	–	–	–	–	–	100
Issue of shares upon listing	8,000	–	–	–	–	–	8,000
Effects of the Reorganisation	–	–	(23,724)	–	–	–	(23,724)
Premium on issue of shares	–	72,000	–	–	–	–	72,000
Share issue expenses	–	(14,901)	–	–	–	–	(14,901)
Surplus on revaluation of land and buildings	–	–	–	17,752	–	–	17,752
Dividends paid	–	–	–	–	–	(40,000)	(40,000)
Translation adjustments	–	–	–	–	234	–	234
Net profit for the year	–	–	–	–	–	21,503	21,503
At 31/12/2001 and 1/1/2002	32,000	57,099	(23,724)	17,752	(1,057)	124,318	206,388
Deficit on revaluation of land and buildings	–	–	–	(4,574)	–	–	(4,574)
Dividends paid	–	–	–	–	–	(19,200)	(19,200)
Translation adjustments	–	–	–	–	(69)	–	(69)
Net loss for the year	–	–	–	–	–	(4,517)	(4,517)
At 31/12/2002	32,000	57,099	(23,724)	13,178	(1,126)	100,601	178,028

STATEMENTS OF CHANGES IN EQUITY

For the year ended 31 December 2002

Company

	Issued capital HK\$'000	Share premium HK\$'000	Contributed surplus (b) HK\$'000	Retained profits/ (Accumulated loss) HK\$'000	Total HK\$'000
At 1/1/2001	–	–	–	–	–
Issued upon Reorganisation	23,900	–	–	–	23,900
Capitalisation issue	100	–	–	–	100
Issue of shares upon listing	8,000	–	–	–	8,000
Effects of the Reorganisation	–	–	89,706	–	89,706
Premium on issue of shares	–	72,000	–	–	72,000
Share issue expenses	–	(14,901)	–	–	(14,901)
Capitalisation of contributed surplus	–	–	(100)	–	(100)
Net profit for the year	–	–	–	531	531
At 31/12/2001 and 1/1/2002	32,000	57,099	89,606	531	179,236
Dividends paid	–	–	–	(19,200)	(19,200)
Net loss for the year	–	–	–	(902)	(902)
At 31/12/2002	32,000	57,099	89,606	(19,571)	159,134

Notes:

- (a) Capital reserve represents the difference between the nominal value of the ordinary shares issued by the Company and the aggregate of the share capital and share premium of subsidiaries acquired through exchanges of shares pursuant to the Reorganisation.
- (b) Contributed surplus represents the difference between the nominal value of the ordinary shares issued by the Company and the net asset value of subsidiaries acquired through an exchange of shares pursuant to the Reorganisation.

Under the Companies Act 1981 of Bermuda (as amended), retained profits and contributed surplus are distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of retained profits and contributed surplus if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium.

The Company's reserves as at 31 December 2002 available for distribution to shareholders are approximately HK\$70,035,000 (2001: HK\$90,137,000).

The notes on pages 25 to 54 form an integral part of these financial statements.