

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30th June, 2003

	Share capital HK\$'000	Share premium HK\$'000	Special capital reserve HK\$'000 (Note a)	Capital redemption reserve HK\$'000	Goodwill on consolidation HK\$'000	Exchange reserve HK\$'000	Other non-distributable reserves HK\$'000 (Note b)	Deficit HK\$'000	Total HK\$'000
At 1st January, 2002									
— As originally stated	46,098	1,876,729	414,881	233	191,437	(3,121)	35,393	(340,860)	2,220,790
— Prior period adjustment (Note 2)	—	—	—	—	—	—	—	3,934	3,934
As restated	46,098	1,876,729	414,881	233	191,437	(3,121)	35,393	(336,926)	2,224,724
Exchange adjustment	—	—	—	—	—	(831)	—	—	(831)
Share of net reserves movement of associates	—	—	—	—	—	929	(85)	—	844
Net gain (loss) not recognised in the condensed consolidated income statement	—	—	—	—	—	98	(85)	—	13
Issue of shares	9,200	—	—	—	—	—	—	—	9,200
Premium from issue of shares	—	9,200	—	—	—	—	—	—	9,200
Share issue expenses	—	(621)	—	—	—	—	—	—	(621)
Realised on disposal of interests in subsidiaries	—	—	—	—	—	(1,267)	(1,618)	—	(2,885)
Realised on disposal/dilution of interests in associates	—	—	—	—	3,100	(566)	—	—	2,534
Net loss for the period	—	—	—	—	—	—	—	(152,418)	(152,418)
At 1st July, 2002	55,298	1,885,308	414,881	233	194,537	(4,856)	33,690	(489,344)	2,089,747
Exchange adjustment	—	—	—	—	—	(313)	—	—	(313)
Share of net reserves movement of associates	—	—	—	—	—	(25)	(193)	—	(218)
Loss not recognised in the condensed consolidated income statement	—	—	—	—	—	(338)	(193)	—	(531)
Issue of shares by way of rights issue	27,649	—	—	—	—	—	—	—	27,649
Premium from issue of shares	—	13,824	—	—	—	—	—	—	13,824
Share issue expenses	—	(1,784)	—	—	—	—	—	—	(1,784)
Realised on disposal/dilution of interests in subsidiaries	—	—	—	—	(71,028)	(923)	(959)	—	(72,910)
Realised on disposal/dilution of interests in associates	—	—	—	—	444	(756)	86	—	(226)
Appropriated from retained profits	—	—	—	—	—	—	3,215	(3,215)	—
Net loss for the period	—	—	—	—	—	—	—	(321,716)	(321,716)
At 31st December, 2002	82,947	1,897,348	414,881	233	123,953	(6,873)	35,839	(814,275)	1,734,053
Exchange adjustment	—	—	—	—	—	293	—	—	293
Share of net reserves movement of associates	—	—	—	—	—	662	—	—	662
Net gain not recognised in the condensed consolidated income statement	—	—	—	—	—	955	—	—	955
Realised on disposal of interests in subsidiaries	—	—	—	—	(111)	—	(7,072)	—	(7,183)
Realised on liquidation/dilution of interests in associates	—	—	—	—	(20,333)	(127)	—	—	(20,460)
Appropriate from retained profits	—	—	—	—	—	—	1,319	(1,319)	—
Net loss for the period	—	—	—	—	—	—	—	(132,702)	(132,702)
At 30th June, 2003	82,947	1,897,348	414,881	233	103,509	(6,045)	30,086	(948,296)	1,574,663

## Notes:

- The special capital reserve represents the amount arisen as a result of capital reduction carried out by the Company in 2001.
- The other non-distributable reserves of the Group include statutory reserves required to be appropriated from the profit after taxation of the subsidiaries of the People's Republic of China ("PRC") under PRC laws and regulations. The amount of the appropriation is at the discretion of the PRC subsidiaries' board of directors.