

# Consolidated Statement of Changes in Equity

Year ended 31 December 2002

	Share capital	Share premium	Contributed surplus	Statutory surplus reserve	Enterprise deve- lopment fund	Exchange fluctuation reserve	Accu- mulated losses	Total
	HK\$'000 (note 27)	HK\$'000	HK\$'000 (note ii)	HK\$'000 (note iii)	HK\$'000 (note iii)	HK\$'000	HK\$'000	HK\$'000
At 1 January 2001								
- as previously stated	114,375	95,220	33,474	-	-	198	(55,826)	187,441
Change in accounting policies								
- provision for long service payment (note 2)	-	-	-	-	-	-	(770)	(770)
At 1 January 2001 (as restated)	114,375	95,220	33,474	-	-	198	(56,596)	186,671
Issue of new shares	134,600	179,276	-	-	-	-	-	313,876
Share issue expenses	-	(3,301)	-	-	-	-	-	(3,301)
Exercise of share options	11,400	-	-	-	-	-	-	11,400
Net loss for the year								
- as previously stated	-	-	-	-	-	-	(76,197)	(76,197)
Change in accounting policies								
- provision for long service payment for the year	-	-	-	-	-	-	(4)	(4)
Net loss for the year (as restated)	-	-	-	-	-	-	(76,201)	(76,201)
At 31 December 2001 (as restated)	260,375	271,195	33,474	-	-	198	(132,797)	432,445
Issue of new shares	25,450	45,810	-	-	-	-	-	71,260
Share issue expenses	-	(1,790)	-	-	-	-	-	(1,790)
Exchange fluctuation on translation of overseas subsidiaries	-	-	-	-	-	(187)	-	(187)
Net loss for the year	-	-	-	-	-	-	(322,718)	(322,718)
Transfer of reserves	-	-	-	957	478	-	(1,435)	-
<b>At 31 December 2002</b>	<b>285,825</b>	<b>315,215</b>	<b>33,474</b>	<b>957</b>	<b>478</b>	<b>11</b>	<b>(456,950)</b>	<b>179,010</b>

Notes:-

- (i) No goodwill/negative goodwill remains eliminated against reserves at the balance sheet date.
- (ii) The Group's contributed surplus is derived from the difference between the nominal value of the Company's shares issued pursuant to the Group reorganisation in 1991 and the nominal value of the shares acquired.
- (iii) In accordance with the Company Law of the PRC and the Articles of Association of a subsidiary, Huayi Pharmaceutical Company Limited ("Huayi"), Huayi shall appropriate ten percent and five percent of its annual statutory net profit (after offsetting any prior years' losses) to the Statutory Surplus Reserve (儲備基金) and Enterprise Development Fund (企業發展基金) respectively.