

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2003

	Share capital <i>HK\$</i>	Share premium <i>HK\$</i>	Capital redemption reserves <i>HK\$</i>	Accumulated losses <i>HK\$</i>	Total <i>HK\$</i>
At 14th August 2001	–	–	–	–	–
Issue of shares to Hennabun Management Inc. ("Hennabun") at par	–	–	–	–	–
Issue of shares to Mr. Wong Man Hung, Patrick ("Mr. Wong")	2,000	16,000	–	–	18,000
Issue of shares to Hennabun and Mr. Wong for cash	5,958,000	47,664,000	–	–	53,622,000
Issue of shares by placing and public offer	14,040,000	112,320,000	–	–	126,360,000
Issue of shares by exercising the share options	400,000	10,200,000	–	–	10,600,000
Share issue expenses	–	(7,268,010)	–	–	(7,268,010)
Loss for the period	–	–	–	(39,815,622)	(39,815,622)
At 31st December 2002 and 1st January 2003	20,400,000	162,931,990	–	(39,815,622)	143,516,368
Repurchase of shares during November 2003	(168,800)	(1,358,577)	168,800	–	(1,358,577)
Loss for the year	–	–	–	(1,386,612)	(1,386,612)
At 31st December 2003	20,231,200	161,573,413	168,800	(41,202,234)	140,771,179