

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2003

	Share capital	Share premium	Special reserve	Goodwill reserve	Translation reserve	Deficit	Total
	HK\$'000	HK\$'000	HK\$'000 (Note 1)	HK\$'000 (Note 2)	HK\$'000	HK\$'000	HK\$'000
At 1 January 2002	14,159	163,483	88,643	(38,478)	664	(185,947)	42,524
Exchange differences arising on translation of financial statements of operations outside Hong Kong and loss not recognised in the consolidated income statement	-	-	-	-	(27)	-	(27)
Issue of shares	3,018	79,675	-	-	-	-	82,693
Expenses incurred in connection with the issue of shares	-	(2,379)	-	-	-	-	(2,379)
Loss for the year	-	-	-	-	-	(23,318)	(23,318)
At 31 December 2002	17,177	240,779	88,643	(38,478)	637	(209,265)	99,493
Exchange differences arising on translation of financial statements of operations outside Hong Kong and loss not recognised in the consolidated income statement	-	-	-	-	(251)	-	(251)
Issue of shares	8,589	77,298	-	-	-	-	85,887
Expenses incurred in connection with the issue of shares	-	(4,696)	-	-	-	-	(4,696)
Released on disposal of subsidiaries	-	-	-	38,571	(147)	-	38,424
Profit for the year	-	-	-	-	-	36,848	36,848
At 31 December 2003	<u>25,766</u>	<u>313,381</u>	<u>88,643</u>	<u>93</u>	<u>239</u>	<u>(172,417)</u>	<u>255,705</u>

The deficit of the Group included deficit of HK\$9,570,000 (2002: HK\$8,137,000) retained by an associate of the Group.

### Notes:

- (1) Special reserve represents the aggregate of:
  - (i) the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and the share premium account of LifeTec (Holdings) Limited, the subsidiary which was acquired by the Company pursuant to the group reorganisation in 1996, and
  - (ii) the effects of the capital reduction, share premium cancellation and elimination of deficit, took place in 1999.
- (2) Goodwill reserve at 31 December 2003 comprises Nil (2002: HK\$38,571,000) and HK\$93,000 (2002: HK\$93,000) in respect of goodwill and negative goodwill respectively.