

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December, 2003

	Share capital	Share premium	Capital reserve	Contributed surplus	Translation reserve	Deficit	Total
	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000	HK\$'000	HK\$'000
<b>THE GROUP</b>							
At 1st January, 2002	212,537	78,795	35,438	1,843,324	2,544	(1,537,638)	635,000
Exchange adjustment arising from translation of financial statements of subsidiaries outside Hong Kong not recognised in the income statement	—	—	—	—	(313)	—	(313)
Issue of new shares	220,220	196,780	—	—	—	—	417,000
Share issue expenses	—	(4,552)	—	—	—	—	(4,552)
Net loss for the year	—	—	—	—	—	(99,810)	(99,810)
At 31st December, 2002	432,757	271,023	35,438	1,843,324	2,231	(1,637,448)	947,325
Exchange adjustment arising from translation of financial statements of subsidiaries outside Hong Kong not recognised in the income statement	—	—	—	—	472	—	472
Capital reorganisation (note 28)	(389,481)	(271,023)	—	660,504	—	—	—
Distribution in specie (note c)	—	—	(34,493)	(407,230)	(2,703)	—	(444,426)
Net loss for the year	—	—	—	—	—	(170,207)	(170,207)
At 31st December, 2003	<u>43,276</u>	<u>—</u>	<u>945</u>	<u>2,096,598</u>	<u>—</u>	<u>(1,807,655)</u>	<u>333,164</u>

Note:

- (a) The capital reserve of the Group as at 31st December, 2003 represents capital redemption reserve. The capital reserve at 31st December, 2002 represented the aggregate of an amount of approximately HK\$34,405,000 arising from the repurchase of shares of a subsidiary during the group reorganisation in 1995 and reserve arising on acquisition of subsidiaries of approximately HK\$88,000 and the capital redemption reserve of the Company of approximately HK\$945,000.
- (b) The contributed surplus of the Group represents the aggregate of difference between the nominal amount of the share capital and share premium of the subsidiaries at the date on which they were acquired by the Group and the nominal amount of the share capital issued as consideration for the acquisition of approximately HK\$1,843,324,000; an amount of approximately HK\$660,504,000 arising from capital reorganisation during the year; and distribution of approximately HK\$407,230,000 pursuant to the group reorganisation.
- (c) Pursuant to the Group Reorganisation, shares in Apex were distributed in specie to the shareholders of the Company on the basis of one Apex' share for every existing issued share in the Company. The amount of distribution of approximately HK\$444,426,000 represents the Group's share of net assets in Apex distributed at the date of completion of the Group Reorganisation.