

Consolidated Statement of Changes in Equity

For the year ended 31st December, 2003

| | Total equity HK\$ |
|---|-----------------------------|
| At 1st January, 2002 | 3,810,799 |
| Impairment loss of intangible assets | (3,350,000) |
| Exchange difference on translation of overseas subsidiaries | (12,195) |
| Net losses not recognised in the income statement | (3,362,195) |
| Loss for the year | (88,865,966) |
| Shares issued | 52,898,000 |
| Shares issue expenses | (57,160) |
| At 31st December, 2002 and 1st January, 2003 | (35,576,522) |
| Loss for the year | (37,767,572) |
| Translation reserve recognised in the income statement on disposal of subsidiaries | (2,363,890) |
| Shares issued | 54,071,018 |
| At 31st December, 2003 | <u>(21,636,966)</u> |