

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2003

	Share capital HK\$'000	Reserves			Accumulated losses HK\$'000	Total HK\$'000
		Share premium HK\$'000	Contributed surplus HK\$'000	Exchange reserve HK\$'000		
Balance at 1 January 2002	149,850	446,088	22,130	659	(388,281)	230,446
Exchange differences arising on consolidation	-	-	-	(90)	-	(90)
Net losses not recognised in the consolidated income statement	-	-	-	(90)	-	(90)
Shares issued for conversion of convertible loan notes	15,196	-	-	-	-	15,196
Issue of shares	29,000	-	-	-	-	29,000
Premium arising on issue of shares, net of issuing expenses	-	120	-	-	-	120
Premium arising on conversion of convertible loan notes	-	12,804	-	-	-	12,804
Loss for the year	-	-	-	-	(213,004)	(213,004)
Balance at 31 December 2002	194,046	459,012	22,130	569	(601,285)	74,472
Shares issued for debt equity swap arrangements (note 22(a)(iii))	10,877	-	-	-	-	10,877
Realisation of exchange reserve on deconsolidation of a subsidiary (note 27(b))	-	-	-	(569)	-	(569)
Loss for the year	-	-	-	-	(262,341)	(262,341)
<b>Balance at 31 December 2003</b>	<b>204,923</b>	<b>459,012</b>	<b>22,130</b>	<b>-</b>	<b>(863,626)</b>	<b>(177,561)</b>

The notes on pages 28 to 62 form an integral part of these financial statements.