

Consolidated Statement of Changes in Equity

For the year ended 31 July 2003

Annual Report 2003

China Rich Holdings Limited

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| | Share capital HK\$'000 | Share premium HK\$'000 | Capital reserve HK\$'000 | Exchange reserve HK\$'000 | Distri- butable reserve HK\$'000 | Investment Other reserve HK\$'000 | Investment revaluation reserve HK\$'000 | Accumulated losses HK\$'000 | Total HK\$'000 |
|---|------------------------------|------------------------------|--------------------------------|---------------------------------|---|--|--|-----------------------------------|-------------------|
| At 31 July 2001 | 225,617 | 399,399 | 11,613 | - | 77,033 | - | - | (49,202) | 664,460 |
| Exercise of share options | 50 | - | - | - | - | - | - | - | 50 |
| Issue of warrants | - | - | - | - | - | 40,000 | - | - | 40,000 |
| Expenses incurred in connection with issue of warrants | - | - | - | - | - | (1,155) | - | - | (1,155) |
| Premium arising from issue of shares on exercise of options | - | 100 | - | - | - | - | - | - | 100 |
| Share of an associate's unrealised loss on investments in securities | - | - | - | - | - | - | (9,786) | - | (9,786) |
| Net loss for the year | - | - | - | - | - | - | - | (138,563) | (138,563) |
| At 31 July 2002 | 225,667 | 399,499 | 11,613 | - | 77,033 | 38,845 | (9,786) | (187,765) | 555,106 |
| Issue of warrants | - | - | - | - | - | - | - | - | - |
| Realised upon expiry of warrants | - | - | - | - | - | (38,845) | - | - | (38,845) |
| Exchange realignment | - | - | - | 1,596 | - | - | - | - | 1,596 |
| Share of an associate's unrealised loss on investments in securities | - | - | - | - | - | - | (2,605) | - | (2,605) |
| Net loss for the year | - | - | - | - | - | - | - | (86,943) | (86,943) |
| At 31 July 2003 | <u>225,667</u> | <u>399,499</u> | <u>11,613</u> | <u>1,596</u> | <u>77,033</u> | <u>-</u> | <u>(12,391)</u> | <u>(274,708)</u> | <u>428,309</u> |
| Attributable to: | | | | | | | | | |
| Company and subsidiaries | 225,667 | 399,499 | 11,613 | 1,596 | 77,033 | - | - | (227,128) | 488,280 |
| Associates | - | - | - | - | - | - | (12,391) | (47,580) | (59,971) |
| | <u>225,667</u> | <u>399,499</u> | <u>11,613</u> | <u>1,596</u> | <u>77,033</u> | <u>-</u> | <u>(12,391)</u> | <u>(274,708)</u> | <u>428,309</u> |

The accompanying notes form an integral part of these financial statements.