

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000 (Note a)	Contributed surplus HK\$'000 (Note b)	Translation reserve HK\$'000	Deficit HK\$'000	Total HK\$'000
THE GROUP							
At 1st January, 2003	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	(389,481)	(271,023)	–	660,504	–	–	–
Distribution (note c)	–	–	(34,493)	(407,230)	(2,703)	–	(444,426)
Net loss for the year	–	–	–	–	–	(170,207)	(170,207)
At 31st December, 2003	43,276	–	945	2,096,598	–	(1,807,655)	333,164
Net loss for the year	–	–	–	–	–	(235,515)	(235,515)
At 31st December, 2004	43,276	–	945	2,096,598	–	(2,043,170)	97,649

Note:

- (a) The capital reserve of the Group as at 31st December, 2003 and 2004 represents capital redemption reserve.
- (b) The contributed surplus of the Group as at 31st December, 2003 and 2004 represents the aggregate of the 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 in 2003 as detailed in the circular of the Company dated 31st October, 2003 ("Capital Reorganisation"); and distribution of approximately HK\$407,230,000 pursuant to the group reorganisation in 2003 as detailed in the circular of the Company dated 31st October, 2003 ("Group Reorganisation").
- (c) Pursuant to the Group Reorganisation, shares in Apex (note 10) 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.