

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2003

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Capital reserve HK\$'000	Translation reserve HK\$'000	Accumulated profit (losses) HK\$'000	Total HK\$'000
At 1 January 2002	71,230	97,888	—	2,099	—	(104,889)	66,328
Exchange differences arising from translation of overseas operations and net gain not recognised in the income statement	—	—	—	—	225	—	225
Exercise of share options	6	5	—	—	—	—	11
Net loss for the year	—	—	—	—	—	(8,412)	(8,412)
At 1 January 2003	71,236	97,893	—	2,099	225	(113,301)	58,152
Exchange differences arising from translation of overseas operations and net loss not recognised in the income statement	—	—	—	—	(132)	—	(132)
Released on disposal of subsidiaries	—	—	—	—	(76)	—	(76)
Effect of capital reduction (note 21)	(64,112)	—	64,112	—	—	—	—
Transfer of share premium (note 21)	—	(97,893)	97,893	—	—	—	—
Transfer from contributed surplus to accumulated losses	—	—	(162,005)	—	—	162,005	—
Net loss for the year	—	—	—	—	—	(21,421)	(21,421)
At 31 December 2003	7,124	—	—	2,099	17	27,283	36,523

The capital reserve represents the difference between the nominal value of the share capital issued by the Company in exchange for the aggregate of the nominal value of the issued share capital of Rockapetta Investment Limited ("RIL"), the former subsidiary which was acquired by the Company pursuant to a group reorganisation to rationalise the group structure in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong Limited.