

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December, 2003

| | Share capital HK\$ | Share premium HK\$ | Asset revaluation reserve HK\$ | Translation reserve HK\$ | Statutory reserve HK\$ | Retained profits HK\$ | Total HK\$ |
|--|--------------------------|--------------------------|---|--------------------------------|------------------------------|-----------------------------|---------------|
| At 1st January, 2002 | | | | | | | |
| As previously stated | 256,335,294 | 267,148,838 | 49,965,213 | (12,162,536) | 594,457 | 17,972,485 | 579,853,751 |
| Prior period adjustment – Effect of adopting SSAP 12 (revised) | – | – | (3,127,192) | – | – | 7,398,532 | 4,271,340 |
| As restated | 256,335,294 | 267,148,838 | 46,838,021 | (12,162,536) | 594,457 | 25,371,017 | 584,125,091 |
| Exchange differences arising from translation of overseas operations | – | – | – | (976,267) | – | – | (976,267) |
| Deficit arising on revaluation | | | | | | | |
| – gross | – | – | (4,639,783) | – | – | – | (4,639,783) |
| – taxation | – | – | 206,473 | – | – | – | 206,473 |
| Net losses not recognised in the income statement | – | – | (4,433,310) | (976,267) | – | – | (5,409,577) |
| Realised on disposal of subsidiaries | – | – | – | 502 | – | – | 502 |
| Profit for the year | – | – | – | – | – | 22,460,750 | 22,460,750 |
| | – | – | – | 502 | – | 22,460,750 | 22,461,252 |
| At 31st December, 2002 and 1st January, 2003 | 256,335,294 | 267,148,838 | 42,404,711 | (13,138,301) | 594,457 | 47,831,767 | 601,176,766 |
| Exchange differences arising from translation of overseas operations | – | – | – | (3,437,038) | – | – | (3,437,038) |
| Deficit arising on revaluation | | | | | | | |
| – gross | – | – | (1,430,974) | – | – | – | (1,430,974) |
| – taxation | – | – | (67,430) | – | – | – | (67,430) |
| Net losses not recognised in the income statement | – | – | (1,498,404) | (3,437,038) | – | – | (4,935,442) |
| Issue of shares on exercise of | | | | | | | |
| – share options | 440,000 | 11,000 | – | – | – | – | 451,000 |
| – warrants | 35,200 | – | – | – | – | – | 35,200 |
| Realised on disposal of subsidiaries | – | – | – | 15,141,841 | (594,457) | – | 14,547,384 |
| Profit for the year | – | – | – | – | – | 20,528,285 | 20,528,285 |
| | 475,200 | 11,000 | – | 15,141,841 | (594,457) | 20,528,285 | 35,561,869 |
| At 31st December, 2003 | 256,810,494 | 267,159,838 | 40,906,307 | (1,433,498) | – | 68,360,052 | 631,803,193 |