

## Statement of Changes in Equity

For the year ended 31 December 2003

	Share capital HK\$	Shares to be issued* HK\$	Share premium HK\$	Accumulated losses HK\$	Total HK\$
<b>The Group</b>					
At 1 January 2002	200,000	26,906,597	9,800,000	(309,426)	36,597,171
Shares issued at premium	600,000	(26,906,597)	26,306,597	–	–
Shares issue expenses	–	–	(900,000)	–	(900,000)
Net loss for the year	–	–	–	(5,644,294)	(5,644,294)
At 31 December 2002 and 1 January 2003	800,000	–	35,206,597	(5,953,720)	30,052,877
Net loss for the year	–	–	–	(4,561,723)	(4,561,723)
At 31 December 2003	800,000	–	35,206,597	(10,515,443)	25,491,154
<b>The Company</b>					
At 1 January 2002	200,000	26,906,597	9,800,000	(309,426)	36,597,171
Shares issued at premium	600,000	(26,906,597)	26,306,597	–	–
Shares issue expenses	–	–	(900,000)	–	(900,000)
Net loss for the year	–	–	–	(5,622,194)	(5,622,194)
At 31 December 2002 and 1 January 2003	800,000	–	35,206,597	(5,931,620)	30,074,977
Net loss for the year	–	–	–	(4,561,003)	(4,561,003)
At 31 December 2003	800,000	–	35,206,597	(10,492,623)	25,513,974

\* The amount represented the proceeds received for subscriptions of shares under placing and new issue, net of the related listing expenses of HK\$3,093,403 incurred prior to 31 December 2001. The amount was converted into share capital and share premium on the listing of the shares of the Company on 2 January 2002.

The notes on pages 24 to 35 form an integral part of these financial statements.