

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December, 2002

	Ordinary share capital	Preference share capital	Ordinary share premium	Preference share premium	Merger reserve	Contributed surplus	Goodwill	Investments revaluation reserve	Translation reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
THE GROUP											
At 1st January, 2001	36,466	-	131,241	-	24,000	-	(33,216)	282	239	118,510	277,522
Realised on disposal of investment in securities	-	-	-	-	-	-	-	(210)	-	-	(210)
Revaluation decrease in the year not recognised in the consolidated income statement	-	-	-	-	-	-	-	(74)	-	-	(74)
Issue of shares on exercise of share options	63	-	82	-	-	-	-	-	-	-	145
Issue of shares for acquisition of subsidiaries	-	4,215	-	248,685	-	-	-	-	-	-	252,900
Net profit for the year	-	-	-	-	-	-	-	-	-	28,047	28,047
Dividend	-	-	-	-	-	-	-	-	-	(294)	(294)
At 31st December, 2001	36,529	4,215	131,323	248,685	24,000	-	(33,216)	(2)	239	146,263	558,036
Conversion from Series A preference shares to ordinary shares	2,400	(120)	4,800	(7,080)	-	-	-	-	-	-	-
Realised on disposal of investment in securities	-	-	-	-	-	-	-	2	-	-	2
Net profit for the year	-	-	-	-	-	-	-	-	-	50,673	50,673
Dividends	-	-	-	-	-	-	-	-	-	(13,928)	(13,928)
At 31st December, 2002	38,929	4,095	136,123	241,605	24,000	-	(33,216)	-	239	183,008	594,783
THE COMPANY											
At 1st January, 2001	36,466	-	131,241	-	-	77,963	-	-	-	5,455	251,125
Issue of shares on exercise of share options	63	-	82	-	-	-	-	-	-	-	145
Issue of shares for acquisition of subsidiaries	-	4,215	-	248,685	-	-	-	-	-	-	252,900
Net profit for the year	-	-	-	-	-	-	-	-	-	16,936	16,936
Dividend	-	-	-	-	-	-	-	-	-	(294)	(294)
At 31st December, 2001	36,529	4,215	131,323	248,685	-	77,963	-	-	-	22,097	520,812
Conversion from Series A preference shares to ordinary shares	2,400	(120)	4,800	(7,080)	-	-	-	-	-	-	-
Net loss for the year	-	-	-	-	-	-	-	-	-	(1,106)	(1,106)
Dividends	-	-	-	-	-	-	-	-	-	(13,928)	(13,928)
At 31st December, 2002	38,929	4,095	136,123	241,605	-	77,963	-	-	-	7,063	505,778

Notes:

- The merger reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's ordinary shares issued for the acquisition at the time of a group reorganisation in 1996 (the "Group Reorganisation").
- The contributed surplus of the Company represents the difference between the underlying net assets of the subsidiaries which were acquired by the Company at the date of the Group Reorganisation and the nominal amount of the ordinary shares issued by the Company which were issued under the Group Reorganisation.