

Consolidated Statement of Changes in Equity

For the year ended 31st December, 2002

	Share capital	Share premium	Special reserve	Investment property revaluation reserve	Property revaluation reserve	Statutory surplus reserve fund	Enterprise expansion fund	Translation reserve	Goodwill reserve	Capital redemption reserve	Accumulated profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
THE GROUP												
At 1st January, 2001	72,691	93,611	38,510	262	35,047	11,099	817	920	(88)	—	337,774	590,643
Exchange differences arising from translation of the financial statements of PRC/overseas operations	—	—	—	—	—	—	—	(3,122)	—	—	—	(3,122)
Revaluation deficit on investment properties	—	—	—	(262)	—	—	—	—	—	—	—	(262)
Revaluation surplus on land and buildings	—	—	—	—	5,628	—	—	—	—	—	—	5,628
Net (losses) gains not recognised in the income statement	—	—	—	(262)	5,628	—	—	(3,122)	—	—	—	2,244
Shares repurchased and cancelled	(410)	—	—	—	—	—	—	—	—	—	—	(410)
Premium on repurchase of shares	—	(3,225)	—	—	—	—	—	—	—	—	—	(3,225)
Transfer of reserves for cancellation of shares	—	—	—	—	—	—	—	—	—	410	(410)	—
Net profit for the year	—	—	—	—	—	—	—	—	—	—	105,945	105,945
Transfer of statutory reserves	—	—	—	—	—	1,480	—	—	—	—	(1,480)	—
Dividends (note 9)	—	—	—	—	—	—	—	—	—	—	(72,471)	(72,471)
At 31st December, 2001	72,281	90,386	38,510	—	40,675	12,579	817	(2,202)	(88)	410	369,358	622,726
Exchange differences arising from translation of the financial statements of PRC/overseas operations	—	—	—	—	—	—	—	40	—	—	—	40
Revaluation surplus on land and buildings	—	—	—	—	12,413	—	—	—	—	—	—	12,413
Net gains not recognised in the income statement	—	—	—	—	12,413	—	—	40	—	—	—	12,453
Shares repurchased and cancelled	(36)	—	—	—	—	—	—	—	—	—	—	(36)
Premium on repurchase of shares	—	(276)	—	—	—	—	—	—	—	—	—	(276)
Transfer of reserves for cancellation of shares	—	—	—	—	—	—	—	—	—	36	(36)	—
Net profit for the year	—	—	—	—	—	—	—	—	—	—	93,130	93,130
Transfer of statutory reserves	—	—	—	—	—	—	112	—	—	—	(112)	—
Dividends (note 9)	—	—	—	—	—	—	—	—	—	—	(57,796)	(57,796)
At 31st December, 2002	72,245	90,110	38,510	—	53,088	12,579	929	(2,162)	(88)	446	404,544	670,201

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For the year ended 31st December, 2002

For the year ended 31st December, 2002, the accumulated profits of the Group include a loss of HK\$883,000 attributable to a jointly controlled entity (2001: HK\$883,000).

The special reserve represents the difference between the nominal value of shares of Lerado Group Limited together with its share premium and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation.

As stipulated by the relevant laws and regulations for foreign investment enterprises in the People's Republic of China (the "PRC"), the PRC subsidiaries of the Group are required to maintain two statutory reserves, being a statutory surplus reserve fund and an enterprise expansion fund which are not distributable. Appropriations to such reserves are made out of net profit after taxation as per the statutory accounts of the PRC subsidiaries and the amount and allocation basis are decided by the respective board of directors annually.