

Consolidated Statement of Changes in Equity

For the year ended 31st December, 2003

	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000	Property revaluation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1st January, 2002						
– as previously reported	234	–	80,035	14,961	60,432	155,662
– prior period adjustment (Note 2)	–	–	–	(4,040)	117	(3,923)
– as restated	234	–	80,035	10,921	60,549	151,739
Revaluation increase on leasehold land and buildings	–	–	–	1,038	–	1,038
Deferred tax liability arising on revaluation of leasehold land and buildings	–	–	–	(280)	–	(280)
Net gain not recognised in the consolidated income statement	–	–	–	758	–	758
Premium arising on the Group Reorganisation	(224)	118,840	(118,616)	–	–	–
Shares issued at premium on Placing and Public Offer	1,200	28,800	–	–	–	30,000
Issue of shares arising from capitalisation of share premium	6,790	(6,790)	–	–	–	–
Share issue expenses	–	(6,370)	–	–	–	(6,370)
Net profit for the year	–	–	–	–	23,998	23,998
Dividend paid	–	–	–	–	(55,000)	(55,000)
At 31st December, 2002 and 1st January, 2003	8,000	134,480	(38,581)	11,679	29,547	145,125
Revaluation increase on leasehold land and buildings	–	–	–	29	–	29
Deferred tax liability arising on revaluation of leasehold land and buildings	–	–	–	(8)	–	(8)
Net gain not recognised in the consolidated income statement	–	–	–	21	–	21
Net profit for the year	–	–	–	–	30,633	30,633
Dividends paid	–	–	–	–	(14,400)	(14,400)
At 31st December, 2003	8,000	134,480	(38,581)	11,700	45,780	161,379

Consolidated Statement of Changes in Equity (Continued)

For the year ended 31st December, 2003

Special reserve as at 1st January, 2002 included HK\$72,835,000 which represented the difference between the nominal amount of the share capital issued by PME International (BVI) Company Limited, the then holding company of the Group, and the aggregate of the nominal amount of the issued share capital and other reserves accounts of the subsidiaries which was acquired by PME International (BVI) Company Limited pursuant to the group reorganisation carried out in 1997.

The remaining amount of special reserve as at 1st January, 2002 of HK\$7,200,000 represented the capitalisation of shareholders' loans during the year ended 31st December, 2001.