

# Consolidated Statement of Changes in Equity

For the year ended 31st December, 2006

	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000	Translation reserve HK\$'000	Non-distributable reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1st January, 2005	25,000	4,242	32,000	(4,521)	5,739	172,551	235,011
Exchange differences arising from translation of operations outside Hong Kong	—	—	—	1,293	—	—	1,293
Share of exchange reserve of an associate	—	—	—	335	—	—	335
Total income recognised directly in equity	—	—	—	1,628	—	—	1,628
Profit for the year	—	—	—	—	—	51,561	51,561
Total recognised income for the year	—	—	—	1,628	—	51,561	53,189
Transfer to non-distributable reserve	—	—	—	—	490	(490)	—
Dividends	—	—	—	—	—	(25,000)	(25,000)
At 31st December, 2005	25,000	4,242	32,000	(2,893)	6,229	198,622	263,200
Exchange differences arising from translation of operations outside Hong Kong	—	—	—	2,388	—	—	2,388
Share of exchange reserve of an associate	—	—	—	1,556	—	—	1,556
Total income recognised directly in equity	—	—	—	3,944	—	—	3,944
Profit for the year	—	—	—	—	—	28,966	28,966
Total recognised income for the year	—	—	—	3,944	—	28,966	32,910
Dividends	—	—	—	—	—	(27,500)	(27,500)
<b>At 31st December, 2006</b>	<b>25,000</b>	<b>4,242</b>	<b>32,000</b>	<b>1,051</b>	<b>6,229</b>	<b>200,088</b>	<b>268,610</b>

The special reserve of the Group represents the nominal values of 32,000,000 non-voting class A shares of HK\$1 each issued by a subsidiary of the Company to its then shareholders prior to a group reorganisation in 2002.

The non-distributable reserve of the Group represents statutory reserves requirement that the foreign investment enterprises appropriated 10% of profit after taxation of the subsidiary of the Company registered in the People's Republic of China other than Hong Kong (the "PRC") to the non-distributable reserve, under the PRC laws and regulations.