

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the year ended 31st December, 2004

|   | Share<br>capital<br>HK\$ | Share<br>premium<br>HK\$ | Investment<br>property<br>revaluation<br>reserve<br>HK\$ | Exchange<br>reserve<br>HK\$ | Accumulated<br>losses<br>HK\$ | Total<br>HK\$ |
|---|--------------------------|--------------------------|--|-----------------------------|-------------------------------|---------------|
| At 1st January, 2003  | 331,668,905              | 282,892,010              | 491,191  | 8,181,485                   | (467,307,085)                 | 155,926,506   |
| Revaluation decrease, net of<br>minority interests  | -                        | -                        | (491,191)  | -                           | -                             | (491,191)     |
| Exchange differences arising<br>on translation of overseas subsidiaries,<br>net of minority interests | -                        | -                        | -  | 3,055,222                   | -                             | 3,055,222     |
| Share of post-acquisition<br>reserve movement of associates   | -                        | -                        | -  | (553,643)                   | -                             | (553,643)     |
| Net (losses) gains not<br>recognised in the consolidated<br>income statement                          | -                        | -                        | (491,191)  | 2,501,579                   | -                             | 2,010,388     |
| Loss for the year   | -                        | -                        | -  | -                           | (84,759,908)                  | (84,759,908)  |
| At 31st December, 2003  | 331,668,905              | 282,892,010              | -  | 10,683,064                  | (552,066,993)                 | 73,176,986    |
| Revaluation increase  | -                        | -                        | 1,950,000  | -                           | -                             | 1,950,000     |
| Exchange differences arising<br>on translation of overseas<br>subsidiaries, net of minority interests | -                        | -                        | -  | (288,508)                   | -                             | (288,508)     |
| Share of post-acquisition<br>reserve movement of associates   | -                        | -                        | -  | 136,281                     | -                             | 136,281       |
| Net gain (losses) not recognised<br>in the consolidated income statement                              | -                        | -                        | 1,950,000  | (152,227)                   | -                             | 1,797,773     |
| Realised on disposal of subsidiaries  | -                        | -                        | -  | (9,924,365)                 | -                             | (9,924,365)   |
| Profit for the year   | -                        | -                        | -  | -                           | 52,276,198                    | 52,276,198    |
| At 31st December, 2004  | 331,668,905              | 282,892,010              | 1,950,000  | 606,472                     | (499,790,795)                 | 117,326,592   |

The accumulated losses of the Group include retained profits of HK\$21,038,244 (2003: HK\$13,916,212) and accumulated losses of HK\$4,186,586 (2003: retained profits of HK\$83,207) retained by associates and a jointly controlled entity, respectively.

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2004