

# consolidated statement of changes in equity

Year ended 31 December 2004

| HK\$ million                              | Note | Issued share capital | Share premium account | Capital reserve | Accumulated losses | Total |
|---|------|----------------------|-----------------------|-----------------|--------------------|-------|
| At 1 January 2003                         |      | 108                  | —                     | 733             | (795)              | 46    |
| Issue of new shares                       | 29   | 23                   | —                     | —               | —                  | 23    |
| Net profit for the year                   |      | —                    | —                     | —               | 73                 | 73    |
| At 31 December 2003 and<br>1 January 2004 |      | 131                  | —                     | 733             | (722)              | 142   |
| Issue of new shares                       | 29   | 28                   | 4                     | —               | —                  | 32    |
| Net profit for the year                   |      | —                    | —                     | —               | 125                | 125   |
| At 31 December 2004                       |      | 159                  | 4*                    | 733*            | (597)*             | 299   |

The Group's capital reserve represented the difference between the nominal value of the shares and the share premium account of the subsidiaries acquired in prior years, over the nominal value of the Company's shares issued in exchange therefor.

\* These reserve accounts comprise the consolidated reserves of HK\$140 million (2003: HK\$11 million) in the consolidated balance sheet.