

# 24 | CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2004

	Share capital HK\$'000	Share premium HK\$'000 <i>(Note (a))</i>	Property revaluation reserve HK\$'000	Statutory reserve fund HK\$'000 <i>(Note (b))</i>	Retained profits HK\$'000	Proposed final dividend HK\$'000	Total HK\$'000
At 1 January 2003	14,400	32,715	1,361	991	135,215	11,520	196,202
Final dividend paid	-	-	-	-	-	(11,520)	(11,520)
Surplus on revaluation of leasehold land and buildings	-	-	1,376	-	-	-	1,376
Net profit for the year	-	-	-	-	56,896	-	56,896
Proposed final dividend	-	-	-	-	(17,280)	17,280	-
Transfer to statutory reserve fund	-	-	-	473	(473)	-	-
At 31 December 2003 and 1 January 2004	14,400	32,715	2,737	1,464	174,358	17,280	242,954
Final dividend paid	-	-	-	-	-	(17,280)	(17,280)
Deficit on revaluation of leasehold land and buildings	-	-	(191)	-	-	-	(191)
Net profit for the year	-	-	-	-	100,027	-	100,027
Proposed final dividend	-	-	-	-	(17,280)	17,280	-
Transfer to statutory reserve fund	-	-	-	904	(904)	-	-
At 31 December 2004	14,400	32,715*	2,546*	2,368*	256,201*	17,280	325,510

\* These reserve accounts comprise the consolidated reserves of HK\$293,830,000 (2003: HK\$211,274,000) in the consolidated balance sheet.

Notes:

- (a) The share premium of the Group includes: (i) the difference between the nominal value of the share capital of the subsidiaries acquired pursuant to the reorganisation scheme to rationalise the structure of the Group in preparation for the public listing of the Company's shares on the Main Board of the Stock Exchange (the "Group Reorganisation"), over the nominal value of the share capital of the Company issued in exchange therefor; (ii) the premium utilised as a result of the capitalisation issue and bonus issue of shares of the Company; and (iii) the premium arising from the new issue of shares of the Company.
- (b) The PRC subsidiaries are required to transfer 10% of their profit after tax calculated in accordance with the PRC accounting regulations to the statutory reserve fund until such reserve reaches 50% of the registered capital of the respective subsidiaries, upon which any further appropriation will be at the recommendation of the directors of the subsidiaries. Such reserve may be used to reduce any losses incurred by the subsidiaries or be capitalised as paid-up capital of the subsidiaries.

