



Consolidated Statement of Changes in Equity

Year ended 31 December 2004

	Note	Issued share capital	Share premium account	Contributed surplus	Reserve funds (note (a))	Retained profits/ (accumulated losses)	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2003		996,229	70,040	967,319	–	68,123	2,101,711
Exercise of share warrants	28	–	–	–	–	–	–
Exercise of share options	28	173	134	–	–	–	307
Transfer from retained profits		–	–	–	1,880	(1,880)	–
Net loss for the year		–	–	–	–	(856,364)	(856,364)
At 31 December 2003 and at 1 January 2004		996,402	70,174	967,319	1,880	(790,121)	1,245,654
Exercise of share warrants	28	1	5	–	–	–	6
Transfer from retained profits		–	–	–	2,065	(2,065)	–
Net loss for the year		–	–	–	–	(42,465)	(42,465)
At 31 December 2004		996,403	70,179*	967,319*	3,945*	(834,651)*	1,203,195

Note:

(a) In accordance with the relevant People's Republic of China (the "PRC") laws and regulations applicable to Sino-foreign joint venture enterprises and wholly foreign-owned enterprises, certain subsidiaries of the Company in the PRC are required to transfer a certain percentage of their net profit for the year to reserve funds. These funds are non-distributable. For the purpose of determining the appropriations to these funds, the net profit is determined in accordance with the applicable financial rules and regulations in the PRC.

* These reserve accounts comprise the consolidated reserve of HK\$206,792,000 (2003: HK\$249,252,000) in the consolidated balance sheet.