

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2004

	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Revaluation reserve HK\$'000	Exchange reserve HK\$'000	Capital reserve HK\$'000	Goodwill reserve HK\$'000	Enterprise expansion fund and statutory reserve fund HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 January 2003	459,109	913,523	1,019	4,385	19,042	1,817,457	-	45,541	(2,913,428)	346,648
Share of movements in reserves of associates	-	-	-	382	-	-	-	287	(287)	382
Exchange differences arising on translation of the financial statements of overseas operations	-	-	-	-	(1,918)	-	-	-	-	(1,918)
Net gain (loss) not recognised in the income statement	-	-	-	382	(1,918)	-	-	287	(287)	(1,536)
Sub-total	459,109	913,523	1,019	4,767	17,124	1,817,457	-	45,828	(2,913,715)	345,112
Shares issued at premium	70,000	42,000	-	-	-	-	-	-	-	112,000
Share issue expenses	-	(79)	-	-	-	-	-	-	-	(79)
Transfer	-	-	-	-	-	-	-	22,099	(22,099)	-
Released on deemed disposal of a partial interest in an associate	-	-	-	(385)	1,752	(4,354)	-	(2,494)	2,669	(2,812)
Profit for the year	-	-	-	-	-	-	-	-	67,764	67,764
At 31 December 2003	529,109	955,444	1,019	4,382	18,876	1,813,103	-	65,433	(2,865,381)	521,985
Share of movements in reserves of associates	-	-	-	324	6,207	(1,276)	-	3,884	(3,884)	5,255
Reclassification	-	-	-	-	-	(11,238)	11,238	-	-	-
Exchange differences arising on translation of the financial statements of overseas operations	-	-	-	-	(369)	-	-	-	-	(369)
Net gain (loss) not recognised in the income statement	-	-	-	324	5,838	(12,514)	11,238	3,884	(3,884)	4,886
Sub-total	529,109	955,444	1,019	4,706	24,714	1,800,589	11,238	69,317	(2,869,265)	526,871
Conversion of convertible note	114,286	85,714	-	-	-	-	-	-	-	200,000
Shares issued at premium	284,055	382,280	-	-	-	-	-	-	-	666,335
Share issue expenses	-	(12,126)	-	-	-	-	-	-	-	(12,126)
Transfer	-	-	-	-	-	-	-	20,538	(20,538)	-
Released on deemed disposal of a partial interest in an associate	-	-	-	(6)	20	(52)	-	(31)	34	(35)
Waiver of amount due to ultimate holding company (note 22)	-	-	-	-	-	-	-	-	16,393	16,393
Profit for the year	-	-	-	-	-	-	-	-	279,235	279,235
At 31 December 2004	927,450	1,411,312	1,019	4,700	24,734	1,800,537	11,238	89,824	(2,594,141)	1,676,673



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The accumulated losses of the Group include accumulated losses of HK\$34,379,000 (2003: HK\$85,582,000) attributable to associates of the Group.

Capital reserve of the Group consists primarily capital reserve of the Company amounting to HK\$1,800,000,000 which was created through the reduction of the Company's share premium account on 29 November 1993, as approved by the Supreme Court of Hong Kong.

Enterprise expansion fund and statutory reserve fund, which are non-distributable, are appropriated from the profit after taxation of the Company's subsidiaries and associates under the applicable laws and regulations in the People's Republic of China (other than Hong Kong).