

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER, 2004

	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1st January, 2003	6,010	–	–	101,733	107,743
Shares issued by a subsidiary to its then shareholders prior to the Group Reorganisation (note 1)	1	–	–	–	1
Effect on capital structure of Group Reorganisation	(5,811)	113,255	(107,444)	–	–
Shares issued at premium on share offer (note 24(e))	9,504	95,042	–	–	104,546
Shares issue expenses	–	(13,029)	–	–	(13,029)
Shares issued on capitalisation of share premium account (note 24(d))	26,800	(26,800)	–	–	–
Profit for the year	–	–	–	55,687	55,687
Special interim dividends paid	–	–	–	(30,000)	(30,000)
At 31st December, 2003	36,504	168,468	(107,444)	127,420	224,948
Exercise of share options	279	2,878	–	–	3,157
Profit for the year	–	–	–	67,152	67,152
Final dividend paid in respect of 2003	–	–	–	(4,600)	(4,600)
Interim dividend paid in respect of 2004	–	–	–	(4,635)	(4,635)
<b>At 31st December, 2004</b>	<b>36,783</b>	<b>171,346</b>	<b>(107,444)</b>	<b>185,337</b>	<b>286,022</b>

Note: Special reserve represents the difference between the costs of investments in subsidiaries of the Company and the aggregate amount of the non-voting deferred share capital of Fung Kong Hop Fung Paper Ware Factory Limited and Gong Ming Hop Fung Paper Ware Factory Limited and the nominal value of the share capital of the subsidiaries acquired as a result of the Group Reorganisation as set out in note 1.