

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2005 – unaudited

(Expressed in Hong Kong dollars)

| | | Six months ended 30 June | |
|---------------------------------------------------------------------------------------------------|-------------|---------------------------------|---------------------|
| | | 2005 | 2004 |
| | <i>Note</i> | HK\$'000 | <i>HK\$'000</i> |
| | | (unaudited) | (unaudited) |
| Shareholders' equity at 1 January | | (3,982) | 16,181 |
| Net gain for the period recognised directly in equity: | | | |
| Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong | 16 | 46 | 34 |
| Changes in fair value of equity securities available-for-sale | 16 | 75 | – |
| | | 121 | 34 |
| Net loss for the period | 16 | (9,241) | (14,643) |
| Total recognised gain/(loss) for the period | | (9,120) | (14,609) |
| Movements in share capital: | | | |
| – Issue of new shares | 15 | – | 206 |
| – Share premium received | 16 | – | 948 |
| | | – | 1,154 |
| Shareholders' equity at 30 June | | <u>(13,102)</u> | <u>2,726</u> |

The notes on pages 5 to 20 form part of this interim financial report.