

Consolidated Statement of Changes in Equity

for the year ended 30 June 2005

Notes	Share capital HK\$'000	Share premium account HK\$'000	Subscription right reserve HK\$'000 (note i)	Reserves							Proposed final dividends HK\$'000	Total HK\$'000
				Fixed asset revaluation reserve HK\$'000	Investment property revaluation reserve HK\$'000	Statutory reserve fund HK\$'000 (note ii)	Capital reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000			
At 1 July 2003	236,240	-	24,543	6,125	126	1,859	-	(1,613)	166,393	4,725	438,398	
Arising on exercise of warrants	9,718	26,239	-	-	-	-	-	-	-	-	35,957	
Deficit on revaluation, net of deferred taxation	-	-	-	(364)	-	-	-	-	-	-	(364)	
Net profit for the year	-	-	-	-	-	-	-	-	30,345	-	30,345	
Final dividends in respect of the previous year approved and paid	-	-	-	-	-	-	-	-	-	(4,725)	(4,725)	
Proposed final dividends for the year	-	-	-	-	-	-	-	-	(4,919)	4,919	-	
Arising on capital contribution in jointly-controlled entities	-	-	-	-	-	-	(419)	-	-	-	(419)	
At 30 June 2004 and 1 July 2004	245,958	26,239	24,543	5,761	126	1,859	(419)	(1,613)	191,819	4,919	499,192	
Currency translation difference	-	-	-	-	-	-	-	15	-	-	15	
Arising on exercise of share options	27	2,780	3,892	-	-	-	-	-	-	-	6,672	
Issue of shares	27	48,900	48,900	-	-	-	-	-	-	-	97,800	
Expenses incurred in connection with issue of shares	-	(2,850)	-	-	-	-	-	-	-	-	(2,850)	
Repurchase of shares	27	(3,489)	(2,643)	-	-	-	-	-	-	-	(6,132)	
Surplus on revaluation, net of deferred taxation	-	-	-	7,955	82	-	-	-	-	-	8,037	
Net loss for the year	-	-	-	-	-	-	-	-	(150,164)	-	(150,164)	
Final dividends in respect of the previous year approved and paid	-	-	-	-	-	-	-	-	-	(4,919)	(4,919)	
Share in capital reserve movement of jointly-controlled entities	-	-	-	-	-	-	3,923	-	-	-	3,923	
At 30 June 2005	<u>294,149</u>	<u>73,538</u>	<u>24,543</u>	<u>13,716</u>	<u>208</u>	<u>1,859</u>	<u>3,504</u>	<u>(1,598)</u>	<u>41,655</u>	<u>-</u>	<u>451,574</u>	
Reserves retained by:												
Company and subsidiaries	294,149	73,538	24,543	10,476	208	1,859	-	(1,613)	61,157	-	464,317	
Jointly-controlled entities	-	-	-	3,240	-	-	3,504	15	(19,502)	-	(12,743)	
At 30 June 2005	<u>294,149</u>	<u>73,538</u>	<u>24,543</u>	<u>13,716</u>	<u>208</u>	<u>1,859</u>	<u>3,504</u>	<u>(1,598)</u>	<u>41,655</u>	<u>-</u>	<u>451,574</u>	
Company and subsidiaries	245,958	26,239	24,543	5,761	126	1,859	-	(1,613)	180,483	4,919	488,275	
Jointly-controlled entities	-	-	-	-	-	-	(419)	-	11,336	-	10,917	
At 30 June 2004	<u>245,958</u>	<u>26,239</u>	<u>24,543</u>	<u>5,761</u>	<u>126</u>	<u>1,859</u>	<u>(419)</u>	<u>(1,613)</u>	<u>191,819</u>	<u>4,919</u>	<u>499,192</u>	

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for the year ended 30 June 2005

Notes:

- (i) Subscription right reserve represents net proceeds received from issue of warrants.
- (ii) In accordance with the relevant People's Republic of China ("PRC") regulations, the subsidiaries of the Group established in the PRC are required to transfer a certain percentage of the profit after taxation, if any, to a statutory reserve fund. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory reserve fund may be used to offset the accumulated losses, if any, of the subsidiaries.