

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2004

	Share capital US\$	Share premium US\$	Capital reserve US\$	Retained earnings US\$	Total US\$
At January 1, 2004	890,500	56,591,935	(10,339,228)	6,792,851	53,936,058
Net unrealized gains on revaluation of investments in listed securities	–	–	4,284,958	–	4,284,958
Unrealized gains on revaluation of unlisted investments	–	–	4,193,114	–	4,193,114
Net income recognized directly in equity	–	–	8,478,072	–	8,478,072
Profit for the year	–	–	–	2,083,392	2,083,392
Total recognized income for the year	–	–	8,478,072	2,083,392	10,561,464
Transfers to capital reserve (Note 2):					
– Impairment loss recognized in respect of unlisted investments	–	–	(1,000,000)	1,000,000	–
– Reversal of impairment loss previously recognized in respect of an unlisted investment	–	–	594,895	(594,895)	–
– Gain on sale of investments in securities, net	–	–	2,729,905	(2,729,905)	–
Dividends paid	–	(4,452,500)	–	(2,671,500)	(7,124,000)
At December 31, 2004	890,500	52,139,435	463,644	3,879,943	57,373,522

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2005

	Share capital US\$	Share premium US\$	Capital reserve US\$	Retained earnings US\$	Total US\$
At January 1, 2005	890,500	52,139,435	463,644	3,879,943	57,373,522
Fair value changes of investments in listed securities recognized directly in equity (Note i)	–	–	(2,819,078)	–	(2,819,078)
Release of appreciation in value previously recognized in respect of investments in unlisted securities upon disposal	–	–	(6,893,114)	–	(6,893,114)
Profit for the year	–	–	–	1,618,427	1,618,427
Total recognized (expenses) income for the year	–	–	(9,712,192)	1,618,427	(8,093,765)
Transfer to capital reserve (Note ii)					
– Gain on sale of investments in listed and unlisted securities	–	–	7,682,092	(7,682,092)	–
– Increase in fair value of investment property	–	–	73,000	(73,000)	–
– Impairment loss recognized in respect of an investment in unlisted securities	–	–	(5,121,600)	5,121,600	–
Dividend paid	–	(10,686,000)	–	(2,671,500)	(13,357,500)
Dividend waived (Note 12)	–	–	–	400	400
At December 31, 2005	890,500	41,453,435	(6,615,056)	193,778	35,922,657

Notes:

- i. For securities that are classified as available-for-sale investments, fair value changes are dealt with in the capital reserve until the security is sold or determined to be impaired, at which time the cumulative gain or loss will be included in the income statement.
- ii. As required by the Company's Articles of Association, gains and losses on realization and revaluation of investment in securities and assets shall not be available for distribution as dividend. Therefore, those gains and losses on investments in securities and assets recognized in the income statement are transferred to the capital reserve in the period in which they arise.