

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December, 2005

	Share capital HK\$'000	Share premium HK\$'000	Convertible notes reserve HK\$'000	Hotel property revaluation reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
THE GROUP							
At 1 January, 2004							
as originally stated	91,500	426,372	—	48,068	(57,217)	(157,502)	351,221
Effects of adoption of HKAS 16 and HK-Int 2	—	—	—	38,978	—	(38,978)	—
Effects of adoption of HKAS 32	—	—	30,545	—	—	—	30,545
As restated	91,500	426,372	30,545	87,046	(57,217)	(196,480)	381,766
Surplus on revaluation of hotel properties	—	—	—	7,174	—	—	7,174
Release of revaluation reserve of hotel properties	—	—	—	(3,926)	—	3,926	—
Loss for the year	—	—	—	—	—	(48,867)	(48,867)
At 31 December 2004	91,500	426,372	30,545	90,294	(57,217)	(241,421)	340,073
At 1 January, 2005							
as originally stated	91,500	426,372	—	48,068	(57,217)	(199,195)	309,528
Effects of adoption of HKAS 16 and HK-Int 2	—	—	—	42,226	—	(42,226)	—
Effects of adoption of HKAS 32	—	—	30,545	—	—	—	30,545
As restated	91,500	426,372	30,545	90,294	(57,217)	(241,421)	340,073
Effects of adoption of HKAS39	—	—	—	—	—	(14,975)	(14,975)
Surplus on revaluation of hotel properties	—	—	—	7,500	—	—	7,500
Release of revaluation reserve of hotel properties	—	—	—	(4,252)	—	4,252	—
Exchange differences arising on translation of foreign operations	—	—	—	—	1,765	—	1,765
Profit for the year	—	—	—	—	—	10,869	10,869
At 31 December, 2005	91,500	426,372	30,545	93,542	(55,452)	(241,275)	345,232

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December, 2005

	Share capital HK\$'000	Share premium HK\$'000	Convertible notes reserve HK\$'000	Hotel property revaluation reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
THE COMPANY							
At 1 January, 2004							
as originally stated	91,500	426,372	—	—	—	(483,488)	34,384
Effects of adoption of HKAS 32	—	—	30,545	—	—	—	30,545
As restated	91,500	426,372	30,545	—	—	(483,488)	64,929
Loss for the year	—	—	—	—	—	(4,797)	(4,797)
At 31 December, 2004	<u>91,500</u>	<u>426,372</u>	<u>30,545</u>	<u>—</u>	<u>—</u>	<u>(488,285)</u>	<u>60,132</u>
At 1 January, 2005							
as originally stated	91,500	426,372	—	—	—	(488,285)	29,587
Effects of adoption of HKAS 32	—	—	30,545	—	—	—	30,545
As restated	91,500	426,372	30,545	—	—	(488,285)	60,132
Effects of adoption of HKAS 39	—	—	—	—	—	(14,975)	(14,975)
Loss for the year	—	—	—	—	—	(11,922)	(11,922)
At 31 December, 2005	<u>91,500</u>	<u>426,372</u>	<u>30,545</u>	<u>—</u>	<u>—</u>	<u>(515,182)</u>	<u>33,235</u>