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	111(ψ 000	111(ψ 000	1110 000	111Αψ 000	111(ψ 000	111(ψ 000	111(φ 000
At 1 January, 2004 as originally stated Effects of adoption of HKAS 16 and	91,500	426,372	_	48,068	(57,217)	(157,502)	351,221
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 Release of revaluation reserve of hotel	_	_	_	7,174	_	_	7,174
properties Loss for the year		_ _	_ _	(3,926)	_ _	3,926 (48,867)	— (48,867)
At 31 December 2004	91,500	426,372	30,545	90,294	(57,217)	(241,421)	340,073
A t 1 Ianuary 2005							
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	91,500	420,372	_	40,000	(37,217)	(177,177)	309,326
HK-Int 2	_	_	_	42,226	_	(42,226)	_
Effects of adoption of HKAS 32	_	_	30,545	_	_	_	30,545
As restated Effects of adoption	91,500	426,372	30,545	90,294	(57,217)	(241,421)	340,073
of HKAS39	_	_	_	_	_	(14,975)	(14,975)
Surplus on revaluation of hotel properties	_	_	_	7,500	_	_	7,500
Release of revaluation reserve of hotel				(4.252)		4.050	
properties Exchange differences arising on translation	_	_	_	(4,252)	_	4,252	_
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

				Hotel			
			Convertible	property			
	Share	Share	notes	revaluation	Exchange	Accumulated	
	capital	premium	reserve	reserve	reserve	losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	91,500	426,372	30,545			(488,285)	60,132
At 1 January, 2005							
as originally stated	91,500	426,372	_	_	_	(488,285)	29,587
Effects of adoption							
of HKAS 32	<u> </u>	_	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	91,500	426,372	30,545			(515,182)	33,235