



Consolidated Statement of Changes in Equity

For the year ended 31 December 2005

Attributable to equity holders of the Company

	Share capital	Share premium account	Merger reserve	Revaluation reserve	Translation reserve	Other reserves	Retained profits	Minority interest	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2004									
- as originally stated	34,450	44,066	800	16,442	791	710	68,494	-	165,753
- effect of changes in accounting policies (note 3)	-	-	-	(16,442)	(166)	-	-	353	(16,255)
- as restated	34,450	44,066	800	-	625	710	68,494	353	149,498
Exchange gain on translation of overseas operations recognised directly in equity	-	-	-	-	379	-	-	-	379
Profit for the year	-	-	-	-	-	-	18,608	(356)	18,252
Total recognised income and expenses for the year	-	-	-	-	379	-	18,608	(356)	18,631
Issue of shares at premium	5,800	73,660	-	-	-	-	-	-	79,460
Share issue expenses	-	(2,160)	-	-	-	-	-	-	(2,160)
Repurchase of shares	(2,786)	(27,122)	-	-	-	-	-	-	(29,908)
Dividends paid	-	-	-	-	-	-	(6,330)	-	(6,330)
At 31 December 2004	37,464	88,444	800	-	1,004	710	80,772	(3)	209,191
Exchange gain on translation of overseas operations recognised directly in equity	-	-	-	-	661	-	-	-	661
Loss for the year	-	-	-	-	-	-	(9,538)	3	(9,535)
Total recognised income and expenses for the year	-	-	-	-	661	-	(9,538)	3	(8,874)
Dividends paid	-	-	-	-	-	-	(8,041)	-	(8,041)
At 31 December 2005	37,464	88,444	800	-	1,665	710	63,193	-	192,276

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The retained profits of the Group included HK\$23,000 (2004: HK\$7,719,000) retained by an associate of the Group.

The merger reserve represents the difference between the nominal value of the share capital of the subsidiaries acquired and the nominal value of the share capital of the Company issued for the acquisition under the group reorganisation on 11 April 2002.

Other reserves, consisting of expansion fund and the reserve fund, are provided in accordance with the Articles of Association of a subsidiary established in the People's Republic of China ("PRC").

Laws and regulations in the PRC allow foreign investment enterprises to appropriate from profit after taxation, prepared in accordance with the PRC statutory requirements, an amount to the reserve fund and expansion fund according to the decision of the Board of Directors or the Articles of Association of the enterprises.

The reserve fund is used to expand the enterprise's working capital. When the enterprise suffers losses, the reserve fund may be used to make up unrecovered losses under special circumstances.

The expansion fund is to be used for business expansion and, if approved, can also be used to increase capital.