



Consolidated Statement of Changes in Equity

For The Year Ended 31 December 2005

	Attributable to equity holders of the parent														
	Share capital	Share premium	Capital redemption reserve	Other reserve	Revaluation reserve	Exchange reserve	Special capital reserve	Capital reserve	Goodwill reserve	Enterprise expansion fund and statutory reserve	Dividend reserve	Accumulated (losses) profits	Total	Minority interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	529,109	955,444	1,019	-	4,382	18,876	-	1,813,103	-	65,433	-	(2,865,381)	521,985	-	521,985
Effect of changes in accounting policies (Note 3A)	-	-	-	9,240	(1,527)	(2)	-	-	-	-	-	(7,414)	297	420,032	420,329
As restated	529,109	955,444	1,019	9,240	2,855	18,874	-	1,813,103	-	65,433	-	(2,872,795)	522,282	420,032	942,314
Movements in reserves of associates (restated)	-	-	-	-	85	6,207	-	(1,276)	-	-	-	-	5,016	-	5,016
Exchange differences arising on translation of the financial statements of operations outside Hong Kong	-	-	-	-	-	(369)	-	-	-	-	-	-	(369)	1,305	936
Net gain (loss) recognised directly in equity	-	-	-	-	85	5,838	-	(1,276)	-	-	-	-	4,647	1,305	5,952
Released on deemed disposal a partial interest in an associate	-	-	-	-	-	20	-	(52)	-	(31)	-	34	(29)	-	(29)
Profit for the year (restated)	-	-	-	-	-	-	-	-	-	-	-	279,343	279,343	93,088	372,431
Total recognised income and expense for the year	-	-	-	-	85	5,858	-	(1,328)	-	(31)	-	279,377	283,961	94,393	378,354
Reclassification	-	-	-	-	-	-	-	(11,238)	11,238	-	-	-	-	-	-
Waiver of amount due to ultimate holding company	-	-	-	-	-	-	-	-	-	-	-	16,393	16,393	-	16,393
Transfer	-	-	-	-	-	-	-	-	-	20,538	-	(20,538)	-	-	-
Transfer in reserves of associates	-	-	-	-	-	-	-	-	-	3,884	-	(3,884)	-	-	-
Shares issued at premium	284,055	382,280	-	-	-	-	-	-	-	-	-	-	666,335	-	666,335
Share issue expenses	-	(12,126)	-	-	-	-	-	-	-	-	-	-	(12,126)	-	(12,126)
Conversion of convertible note	114,286	92,519	-	(9,240)	-	-	-	-	-	-	-	-	197,565	-	197,565
Capital contribution by minority shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	883	883
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,213)	(9,213)
Decrease due to acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	(309,828)	(309,828)
Sub-total	398,341	462,673	-	(9,240)	-	-	-	(11,238)	11,238	24,422	-	(8,029)	868,167	(318,158)	550,009



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For The Year Ended 31 December 2005

	Attributable to equity holders of the parent														
	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Other reserve HK\$'000 (Note a)	Revaluation reserve HK\$'000	Exchange reserve HK\$'000	Special capital reserve HK\$'000	Capital reserve HK\$'000 (Note b)	Goodwill reserve HK\$'000	Enterprise expansion fund and statutory reserve HK\$'000 (Note c)	Dividend reserve HK\$'000	Accumulated (losses) profits HK\$'000	Total HK\$'000	Minority interests HK\$'000	Total HK\$'000
At 31 December 2004	927,450	1,418,117	1,019	-	2,940	24,732	-	1,800,537	11,238	89,824	-	(2,601,447)	1,674,410	196,267	1,870,677
Effect of changes in accounting policies	-	-	-	-	-	-	-	-	(11,238)	-	-	14,948	3,710	-	3,710
As restated	927,450	1,418,117	1,019	-	2,940	24,732	-	1,800,537	-	89,824	-	(2,586,499)	1,678,120	196,267	1,874,387
Increase in revaluation reserve resulting from acquisition of a subsidiary	-	-	-	-	44,490	-	-	-	-	-	-	-	44,490	3,490	47,980
Movements in reserves of associates	-	-	-	-	154	7,142	-	-	-	-	-	-	7,296	-	7,296
Exchange differences on translation of the financial statements of operations outside Hong Kong	-	-	-	-	-	25,128	-	-	-	-	-	-	25,128	4,553	29,681
Net gain recognised directly in equity	-	-	-	-	44,644	32,270	-	-	-	-	-	-	76,914	8,043	84,957
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	305,032	305,032	28,286	333,318
Total recognised income and expense for the year	-	-	-	-	44,644	32,270	-	-	-	-	-	305,032	381,946	36,329	418,275
Transfer in reserves of associates	-	-	-	-	-	-	-	-	-	425	-	(425)	-	-	-
Transfer to enterprise expansion and statutory reserve fund	-	-	-	-	-	-	-	-	-	71,977	-	(71,977)	-	-	-
Issue of shares for acquisition of subsidiary	54,331	102,069	-	-	-	-	-	-	-	-	-	-	156,400	-	156,400
Share issue expenses	-	(52)	-	-	-	-	-	-	-	-	-	-	(52)	-	(52)
Eliminated against accumulated losses (Note b)	-	(1,412,855)	-	-	-	-	292,655	(1,800,000)	-	-	-	2,920,200	-	-	-
Shares issued at premium	5,030	4,890	-	-	-	-	-	-	-	-	-	-	9,920	-	9,920
Increase due to acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	32,298	32,298
Contribution from a minority shareholder	-	-	-	-	-	-	-	-	-	-	-	-	-	1,507	1,507
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,494)	(8,494)
Proposed final 2005 dividend	-	-	-	-	-	-	-	-	-	-	29,604	(29,604)	-	-	-
Sub-total	59,361	(1,305,948)	-	-	-	-	292,655	(1,800,000)	-	72,402	29,604	2,818,194	166,268	25,311	191,579
At 31 December 2005	986,811	112,169	1,019	-	47,584	57,002	292,655	537	-	162,226	29,604	536,727	2,226,334	257,907	2,484,241



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For The Year Ended 31 December 2005

Notes:

- (a) Other reserve represents the equity component of convertible note which was fully converted to share capital on 2 January 2004.
- (b) Capital reserve of the Group consists primarily of capital reserve of the Company amounting to HK\$1,800,000,000 which was created through the reduction of the Company's share premium account on 29 November 1993, as approved by the Supreme Court of Hong Kong.

The High Court of Hong Kong made an order confirming the cancellation of share premium and capital reserve accounts (the "Cancellation") on 1 September 2005 pursuant to section 60 of the Companies Ordinance (the "Confirming Order"). The Confirming Order was duly registered by the Registrar of Companies in Hong Kong on 1 September 2005 and, accordingly, the Cancellation became effective on the same day. As a result, the share premium account of the Company has been reduced by approximately HK\$1,412,855,000 and the capital reserve account of the Company has been reduced by HK\$1,800,000,000. An amount of approximately HK\$2,920,200,000 arising from such reduction has been applied towards the elimination of the accumulated losses and the remaining balance of approximately HK\$292,655,000 has been credited to the Company's special capital reserve account.

Details of the Cancellation are set out in note 43.

- (c) Enterprise expansion fund and statutory reserve fund, which are non-distributable, are appropriated from the profit after taxation of the Company's subsidiaries and associates under the applicable laws and regulations in the People's Republic of China (other than Hong Kong).