

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2005

	Attributable to equity holders of the Company										
	Share capital	Share premium	Special reserve	Warrant reserve	Option reserve	Goodwill reserve	Translation reserve	Accumulated losses	Sub-total	Minority interests	Total equity
	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000	HK\$'000 (Note b)	HK\$'000 (Note c)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1 January 2004,</b>											
as previously reported as equity	25,766	313,381	88,643	-	-	93	239	(172,417)	255,705	-	255,705
<b>At 1 January 2004,</b>											
as previously separately reported											
as minority interest	-	-	-	-	-	-	-	-	-	3,584	3,584
<b>At 1 January 2004,</b>											
as restated	25,766	313,381	88,643	-	-	93	239	(172,417)	255,705	3,584	259,289
Surplus arising on repurchase											
of warrants not recognised in											
the consolidated income statement	-	-	-	-	-	-	-	266	266	-	266
Loss for the year	-	-	-	-	-	-	-	(60,992)	(60,992)	208	(60,784)
Total recognised income for 2004	-	-	-	-	-	-	-	(60,726)	(60,726)	208	(60,518)
Issue of warrants	-	-	-	26,520	-	-	-	-	26,520	-	26,520
Expenses incurred in connection											
with the issue of warrants	-	-	-	(1,953)	-	-	-	-	(1,953)	-	(1,953)
Issue of shares	1,459	14,872	-	(2,922)	-	-	-	-	13,409	-	13,409
Repurchase of warrants	-	-	-	(1,587)	-	-	-	-	(1,587)	-	(1,587)
Repurchase of shares	(1,480)	(22,039)	-	-	-	-	-	-	(23,519)	-	(23,519)
Equity-settled consultancy services	-	-	-	-	17,461	-	-	-	17,461	-	17,461
	(21)	(7,167)	-	20,058	17,461	-	-	-	30,331	-	30,331
<b>At 31 December 2004</b>	25,745	306,214	88,643	20,058	17,461	93	239	(233,143)	225,310	3,792	229,102

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	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Note a)		(Note b)	(Note c)					
<b>At 1 January 2005</b>											
as per above	25,745	306,214	88,643	20,058	17,461	93	239	(233,143)	225,310	3,792	229,102
Effects of changes in accounting policies	-	-	-	-	-	(93)	-	93	-	-	-
<b>At 1 January 2005, as restated</b>	25,745	306,214	88,643	20,058	17,461	-	239	(233,050)	225,310	3,792	229,102
Movement in equity on expiry of warrants	-	-	-	(14,681)	-	-	-	14,681	-	-	-
Exchange differences arising on translation of financial statements of foreign subsidiaries	-	-	-	-	-	-	710	-	710	4	714
Net income/(expense) recognised											
directly in equity	-	-	-	(14,681)	-	-	710	14,681	710	4	714
Loss for the year	-	-	-	-	-	-	-	(24,095)	(24,095)	(305)	(24,400)
Total recognised income for 2005	-	-	-	(14,681)	-	-	710	(9,414)	(23,385)	(301)	(23,686)
Issue of shares	1,888	27,871	-	(5,377)	(7,254)	-	-	-	17,128	-	17,128
Capital injection from minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	24	24
	1,888	27,871	-	(5,377)	(7,254)	-	-	-	17,128	24	17,152
<b>At 31 December 2005</b>	27,633	334,085	88,643	-	10,207	-	949	(242,464)	219,053	3,515	222,568

Notes:

- (a) Special reserve represents the aggregate of:
- (i) the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and the share premium account of LifeTec (Holdings) Limited, the subsidiary which was acquired by the Company pursuant to the group reorganisation in 1996, and
  - (ii) the effects of the capital reduction, share premium cancellation and elimination of accumulated losses, took place in 1999.
- (b) Option reserve represents fair value of the consultancy services provided or to be provided by certain consultants to the Group in the prior year in relation to the scope of services as set out in note 32.
- (c) Goodwill reserve at 31 December 2004 represents negative goodwill.