

Consolidated Statement of Changes in Equity

Year ended 31 December 2005

| | Share capital <i>HK\$'000</i> | Share premium <i>HK\$'000</i> | Capital reserve <i>HK\$'000</i> | Share-based compensation reserve <i>HK\$'000</i> | Statutory public welfare reserve <i>HK\$'000</i> | Exchange fluctuation reserve <i>HK\$'000</i> | Statutory surplus reserve <i>HK\$'000</i> | Accumu- lated losses <i>HK\$'000</i> | Total <i>HK\$'000</i> |
|---|-------------------------------------|-------------------------------------|---------------------------------------|---|--|---|--|---|--------------------------|
| At 1 January 2004 | | | | | | | | | |
| – as previously reported | 67,725 | 108,663 | 30,652 | – | 173 | 2,613 | 205 | (61,297) | 148,734 |
| – effect of change in accounting policies | – | – | – | – | – | – | – | (241) | (241) |
| – as restated | 67,725 | 108,663 | 30,652 | – | 173 | 2,613 | 205 | (61,538) | 148,493 |
| Issue of one right share for every two existing shares | 33,863 | – | – | – | – | – | – | – | 33,863 |
| Issuing expenses | – | (1,784) | – | – | – | – | – | – | (1,784) |
| Profit for the year (as restated) | – | – | – | – | – | – | – | 11,822 | 11,822 |
| At 31 December 2004 (as restated) | 101,588 | 106,879 | 30,652 | – | 173 | 2,613 | 205 | (49,716) | 192,394 |
| At 1 January 2005 | | | | | | | | | |
| – as previously reported | 101,588 | 106,879 | 30,652 | – | 173 | 2,613 | 205 | (49,455) | 192,655 |
| – effect of change in accounting policies | – | – | – | – | – | – | – | (261) | (261) |
| – opening adjustment for the adoption of HKFRS 3 | – | – | (30,652) | – | – | – | – | 30,652 | – |
| – as restated | 101,588 | 106,879 | – | – | 173 | 2,613 | 205 | (19,064) | 192,394 |
| Exchange adjustment | – | – | – | – | – | 75 | – | – | 75 |
| Employee share option benefits | – | – | – | 4,459 | – | – | – | – | 4,459 |
| Loss for the year | – | – | – | – | – | – | – | (23,251) | (23,251) |
| At 31 December 2005 | 101,588 | 106,879 | – | 4,459 | 173 | 2,688 | 205 | (42,315) | 173,677 |

The notes on pages 32 to 75 form an integral part of these financial statements.