

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2006

	Attributable to equity holders of the company										
	Share capital HK\$'000	Share premium HK\$'000	Enterprise expansion reserve HK\$'000 (Note 1)	Statutory reserve HK\$'000 (Note 2)	Translation reserve HK\$'000	Special reserve HK\$'000	Asset revaluation reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000	Minority interests HK\$'000	Total HK\$'000
At 1 January 2005 (audited)	3,013	-	2,015	1,804	(26)	-	-	50,064	56,870	344	57,214
Exchange difference arising on translation of foreign operations	-	-	-	-	26	-	-	-	26	-	26
Loss on fair value change of available-for-sales investment	-	-	-	-	-	-	(215)	-	(215)	-	(215)
Income (expense) recognised directly in equity	-	-	-	-	26	-	(215)	-	(189)	-	(189)
Profit for the period	-	-	-	-	-	-	-	22,982	22,982	49	23,031
Total recognised income (expense) for the period	-	-	-	-	26	-	(215)	22,982	22,793	49	22,842
Reserve arising from group reorganisation (note 3(a))	(3,011)	-	-	-	-	3,008	-	-	(3)	-	(3)
At 30 June 2005 (unaudited)	2	-	2,015	1,804	-	3,008	(215)	73,046	79,660	393	80,053
Exchange difference arising on translation of foreign operations	-	-	-	-	2,370	-	-	-	2,370	32	2,402
Gain on fair value change of available-for-sales investment	-	-	-	-	-	-	14	-	14	-	14
Income recognised directly in equity	-	-	-	-	2,370	-	14	-	2,384	32	2,416
Profit for the period	-	-	-	-	-	-	-	35,212	35,212	231	35,443
Total recognised income for the period	-	-	-	-	2,370	-	14	35,212	37,596	263	37,859
Increase in share capital	5	31,037	-	-	-	-	-	-	31,042	-	31,042
Transfer	-	-	-	1,552	-	-	-	(1,552)	-	-	-
At 31 December 2005 (audited)	7	31,037	2,015	3,356	2,370	3,008	(201)	106,706	148,298	656	148,954
Exchange difference arising on translation of foreign operations	-	-	-	-	(8)	-	-	-	(8)	-	(8)
Gain on fair value change of available-for-sales investment	-	-	-	-	-	-	12	-	12	-	12
(Expense) income recognised directly in equity	-	-	-	-	(8)	-	12	-	4	-	4
Profit for the period	-	-	-	-	-	-	-	34,997	34,997	1,505	36,502
Total recognised (expense) income for the period	-	-	-	-	(8)	-	12	34,997	35,001	1,505	36,506
Reserve arising from group reorganisation (note 3(b))	3,993	-	-	-	-	(3,993)	-	-	-	-	-
At 30 June 2006 (unaudited)	4,000	31,037	2,015	3,356	2,362	(985)	(189)	141,703	183,299	2,161	185,460

*Notes:*

- (1) The subsidiaries in the People's Republic of China ("PRC") shall, according to their respective Articles of Association, make appropriation to the enterprise expansion fund out of net profit after taxation based on their statutory financial information, and the amount and allocation basis are decided by its board of directors annually. The enterprise expansion fund can be used to expand the capital of the PRC subsidiaries.
- (2) The statutory reserve of the Group refers to the PRC statutory reserve fund. Appropriations to such reserve fund are made out of net profit after taxation based on the statutory financial statements of the PRC subsidiaries and the amount should not be less than 10% of the profit after taxation unless the aggregate amount exceeded 50% of registered capital of the PRC subsidiaries. The statutory reserve fund can be used to make up prior year's losses of the PRC subsidiaries.
- (3) The Company becomes the holding company of the Group pursuant to a group reorganisation and details of the group reorganisation ("Group Reorganisation") are set out in the prospectus dated 30 June 2006 issued by the Company (the "Prospectus"). The special reserve represents
  - (a) the difference between the aggregate of the nominal value of share capital of the subsidiaries acquired pursuant to the Group Reorganisation in May 2005 and the nominal value of the share capital issued by Full Prosper Holdings Limited ("Full Prosper"), the then holding company of the subsidiaries, as consideration for the acquisition; and
  - (b) the difference between the aggregate of the nominal value of share capital of Full Prosper acquired pursuant to the Group Reorganisation in June 2006 and the nominal value of the share capital issued by the Company as consideration for the acquisition.