

Consolidated Statement of Changes in Equity

for the year ended 30 June 2006

	Attributable to Shareholders												
	Share Capital HK\$'000	Share premium Account HK\$'000	Subscription right reserve HK\$'000 (note i)	Fixed asset revaluation reserve HK\$'000	Investment property revaluation reserve HK\$'000	Statutory reserve fund HK\$'000 (note ii)	Capital reserve HK\$'000	Exchange fluctuation reserve HK000	Conversion option reserve HK\$'000 (note iii)	Retained profits HK\$'000	Proposed final dividends HK\$'000	Minority Interest HK\$'000	Total HK\$'000
At 1 July 2004													
As originally stated	245,958	26,239	24,543	5,761	126	1,859	(419)	(1,613)	-	191,819	4,919	-	499,192
Effect of changes in accounting policies	-	-	-	(2,552)	(126)	-	-	-	-	(349)	-	-	(3,027)
As restated	245,958	26,239	24,543	3,209	-	1,859	(419)	(1,613)	-	191,470	4,919	-	496,165
Arising on exercise of share options	2,780	3,892	-	-	-	-	-	-	-	-	-	-	6,672
Issue of shares	48,900	48,900	-	-	-	-	-	-	-	-	-	-	97,800
Expenses incurred in connection with issue of shares	-	(2,850)	-	-	-	-	-	-	-	-	-	-	(2,850)
Repurchase of shares	(3,489)	(2,643)	-	-	-	-	-	-	-	-	-	-	(6,132)
Surplus on revaluation, net of deferred taxation	-	-	-	2,107	-	-	-	-	-	-	-	-	2,107
Net loss for the year	-	-	-	-	-	-	-	-	-	(150,189)	-	-	(150,189)
Final dividends in respect of the previous year approved and paid	-	-	-	-	-	-	-	-	-	-	(4,919)	-	(4,919)
Share in reserve movement of jointly-controlled entities	-	-	-	-	-	-	3,923	15	-	-	-	-	3,938
At 30 June 2005 and 1 July 2005													
As originally stated	294,149	73,538	24,543	13,716	208	1,859	3,504	(1,598)	-	41,655	-	-	451,574
Effect of changes in accounting policies	-	-	-	(8,400)	(208)	-	-	-	-	(374)	-	-	(8,982)
As restated	294,149	73,538	24,543	5,316	-	1,859	3,504	(1,598)	-	41,281	-	-	442,592
Currency translation difference	-	-	-	-	-	-	-	495	-	-	-	-	495
Arising on exercise of share options	20,620	27,860	-	-	-	-	-	-	-	-	-	-	48,480
Arising on business combination	58,000	11,600	-	-	-	-	-	-	-	-	-	196,587	266,187
Arising from issuance of convertible notes	-	-	-	-	-	-	-	-	37,949	-	-	-	37,949
Arising upon conversion of convertible notes into new shares, net of deferred taxation	15,500	3,100	-	-	-	-	-	-	(3,328)	-	-	-	15,272
Repurchase of shares	(288)	(21)	-	-	-	-	-	-	-	-	-	-	(309)
Surplus on revaluation, net of deferred taxation	-	-	-	1,636	-	-	-	-	-	-	-	-	1,636
Transfer upon asset reclassification as held for sale	-	-	-	(73)	-	-	-	-	-	73	-	-	-
Net profit for the year	-	-	-	-	-	-	-	-	-	83,208	-	40,231	123,439
Share in reserve movement of jointly-controlled entities	-	-	-	(1,180)	-	-	-	376	-	-	-	-	(804)
Reserve appropriation	-	-	-	-	-	11,882	-	-	-	(11,882)	-	-	-
At 30 June 2006	387,981	116,077	24,543	5,699	-	13,741	3,504	(727)	34,621	112,680	-	236,818	934,937

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for the year ended 30 June 2006

	Attributable to Shareholders												
	Share Capital	Share premium Account	Subscription right reserve	Fixed asset revaluation reserve	Investment property revaluation reserve	Statutory reserve fund	Capital reserve	Exchange fluctuation reserve	Conversion option reserve	Retained profits	Proposed final dividends	Minority Interest	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
Reserves and equity retained by:													
Company and subsidiaries	387,981	116,077	24,543	3,639	-	13,741	-	(1,118)	34,621	130,542	-	-	710,026
Minority shareholder	-	-	-	-	-	-	-	-	-	-	-	236,818	236,818
Jointly-controlled entities	-	-	-	2,060	-	-	3,504	391	-	(17,862)	-	-	(11,907)
At 30 June 2006	<u>387,981</u>	<u>116,077</u>	<u>24,543</u>	<u>5,699</u>	<u>-</u>	<u>13,741</u>	<u>3,504</u>	<u>(727)</u>	<u>34,621</u>	<u>112,680</u>	<u>-</u>	<u>236,818</u>	<u>934,937</u>
Company and subsidiaries	294,149	73,538	24,543	2,076	-	1,859	-	(1,613)	-	60,783	-	-	455,335
Jointly-controlled entities	-	-	-	3,240	-	-	3,504	15	-	(19,502)	-	-	(12,743)
At 30 June 2005, as restated	<u>294,149</u>	<u>73,538</u>	<u>24,543</u>	<u>5,316</u>	<u>-</u>	<u>1,859</u>	<u>3,504</u>	<u>(1,598)</u>	<u>-</u>	<u>41,281</u>	<u>-</u>	<u>-</u>	<u>442,592</u>

Notes:

- (i) Subscription right reserve represents net proceeds received from issue of warrants.
- (ii) In accordance with the relevant People's Republic of China ("PRC") regulations, the subsidiaries of the Group established in the PRC are required to transfer a certain percentage of the profit after taxation, if any, to a statutory reserve fund. Subject to certain restrictions as set out in the relevant PRC regulations, the statutory reserve fund may be used to offset the accumulated losses, if any, of the subsidiaries.
- (iii) Conversion option reserve represents equity portion of convertible notes issued by the Company and are transferred to the share premium account upon exercise of the conversion rights vested with the convertible note instruments; or directly released to retained profits when the convertible notes are redeemed.