

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2006

	Share capital HK\$'000	Share premium HK\$'000	Statutory reserve HK\$'000	Convertible notes equity reserve HK\$'000	Hotel property revaluation reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
<b>THE GROUP</b>								
At 1 January 2005	91,500	426,372	—	30,545	90,294	(57,217)	(256,396)	325,098
Surplus on revaluation of hotel properties	—	—	—	—	7,500	—	—	7,500
Release of revaluation reserve of hotel properties	—	—	—	—	(4,252)	—	4,252	—
Exchange differences arising on translation of foreign operations	—	—	—	—	—	1,765	—	1,765
Profit for the year	—	—	—	—	—	—	10,869	10,869
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At 31 December 2005 and 1 January 2006	91,500	426,372	—	30,545	93,542	(55,452)	(241,275)	345,232
Deficit on revaluation of hotel properties	—	—	—	—	(9,048)	—	—	(9,048)
Release of revaluation reserve of hotel properties	—	—	—	—	(4,550)	—	4,550	—
Exchange differences arising on translation of foreign operations	—	—	—	—	—	(592)	—	(592)
Transfer to statutory reserve	—	—	17,839	—	—	—	(17,839)	—
Profit for the year	—	—	—	—	—	—	70,940	70,940
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At 31 December 2006	<u>91,500</u>	<u>426,372</u>	<u>17,839</u>	<u>30,545</u>	<u>79,944</u>	<u>(56,044)</u>	<u>(183,624)</u>	<u>406,532</u>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 31 December 2006

	Share capital HK\$'000	Share premium HK\$'000	Convertible notes equity reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
<b>THE COMPANY</b>					
At 1 January 2005	91,500	426,372	30,545	(503,260)	45,157
Loss for the year	—	—	—	(11,922)	(11,922)
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At 31 December 2005 and 1 January 2006	91,500	426,372	30,545	(515,182)	33,235
Profit for the year	—	—	—	303,512	303,512
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At 31 December 2006	<u>91,500</u>	<u>426,372</u>	<u>30,545</u>	<u>(211,670)</u>	<u>336,747</u>