

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2006

	Share capital US\$	Share premium US\$	Capital reserve US\$	Retained earnings/ (accumulated losses) US\$	Total US\$
At January 1, 2005	890,500	52,139,435	463,644	3,879,943	57,373,522
Fair value changes of investments in listed securities recognized directly in equity (<i>Note i</i>)	-	-	(3,290,453)	-	(3,290,453)
Realized on disposal of unlisted securities	-	-	(6,893,114)	-	(6,893,114)
Realized on disposal of listed securities	-	-	471,375	-	471,375
Profit for the year	-	-	-	1,618,427	1,618,427
Total recognized (expenses) income for the year	-	-	(9,712,192)	1,618,427	(8,093,765)
Transfer to capital reserve (<i>Note ii</i>)					
- Gain on sale of investments in listed and unlisted securities	-	-	7,682,092	(7,682,092)	-
- Increase in fair value of investment property	-	-	73,000	(73,000)	-
- Impairment loss recognized in respect of an investment in unlisted securities	-	-	(5,121,600)	5,121,600	-
Dividend paid	-	(10,686,000)	-	(2,671,500)	(13,357,500)
Dividend waived	-	-	-	400	400
At December 31, 2005 and at January 1, 2006	890,500	41,453,435	(6,615,056)	193,778	35,922,657
Fair value changes of investments in listed securities recognized directly in equity (<i>Note i</i>)	-	-	1,579,220	-	1,579,220
Realized on disposal of listed securities	-	-	(212,052)	-	(212,052)
Profit for the year	-	-	-	1,112,830	1,112,830
Total recognized (expenses) income for the year	-	-	1,367,168	1,112,830	2,479,998
Transfer to capital reserve (<i>Note ii</i>)					
- Gain on sale of investments in listed and unlisted securities	-	-	1,509,080	(1,509,080)	-
- Increase in fair value of investment property	-	-	40,000	(40,000)	-
Dividend paid	-	(10,686,000)	-	-	(10,686,000)
At December 31, 2006	890,500	30,767,435	(3,698,808)	(242,472)	27,716,655

Notes:

- i. For securities that are classified as available-for-sale investments, fair value changes are dealt with in the capital reserve until the security is sold or determined to be impaired, at which time the cumulative gain or loss will be included in the income statement.
- ii. As required by the Company's Articles of Association, gains on realization and revaluation of investment in securities and assets shall not be available for distribution as dividend. Therefore, those gains and losses on investments in securities and assets recognized in the income statement are transferred to the capital reserve in the period in which they arise.