

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2006
(Expressed in Hong Kong dollars)

	Attributable to equity shareholders of the Company									
	Share capital	Share premium <i>(note (a))</i>	Special reserve <i>(note (b))</i>	Translation reserve <i>(note (c))</i>	Capital reserve <i>(note (d))</i>	PRC Accumulated		Total	Minority interests	Total equity
						statutory reserve	profits/ losses			
						<i>(note (e))</i>				
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 January 2005	152,000	202,986	(251,428)	2,150	74,813	22,074	(738,017)	(535,422)	8,513	(526,909)
Exchange adjustment	-	-	-	-	-	-	-	-	318	318
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	205	-	-	-	205	-	205
Issue of shares on exercise of convertible notes	100,000	201,631	-	-	(32,957)	-	-	268,674	-	268,674
Issue of shares	10,000	87,385	-	-	-	-	-	97,385	-	97,385
Profit for the year	-	-	-	-	-	-	92,569	92,569	10,540	103,109
Dividend	-	-	-	-	-	-	(26,200)	(26,200)	-	(26,200)
At 31 December 2005	262,000	492,002	(251,428)	2,355	41,856	22,074	(671,648)	(102,789)	19,371	(83,418)
At 1 January 2006	262,000	492,002	(251,428)	2,355	41,856	22,074	(671,648)	(102,789)	19,371	(83,418)
Exchange adjustment	-	-	-	-	-	-	-	-	504	504
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	5,037	-	-	-	5,037	-	5,037
Shares repurchased <i>(note(f))</i> – par value and premium paid	(14,285)	(49,088)	-	-	-	-	-	(63,373)	-	(63,373)
Transfer to PRC statutory reserves	-	-	-	-	-	8,950	(8,950)	-	-	-
Profit for the year	-	-	-	-	-	-	134,218	134,218	14,474	148,692
Dividend	-	-	-	-	-	-	-	-	(11,231)	(11,231)
At 31 December 2006	247,715	442,914	(251,428)	7,392	41,856	31,024	(546,380)	(26,907)	23,118	(3,789)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

for the year ended 31 December 2006
(Expressed in Hong Kong dollars)

Notes:

- (a) The application of the share premium account is governed by the Companies Law (Revised) of the Cayman Islands.
- (b) The special reserve arose from the reverse acquisition in December 2004.
- (c) The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 1(s).
- (d) The capital reserve comprises the value of the unexercised equity component of convertible notes issued by the Company recognised in accordance with the accounting policy adopted for convertible notes in note 1(j).
- (e) According to the articles of association and board resolution of Guangdong (Panyu) Petrochemical Storage & Transportation Limited ("GD(Panyu)"), 0% – 10% of the profit before taxation may be transferred to a PRC statutory reserve at the discretion of GD (Panyu)'s directors.
- (f) As stated in note 23, during the year, the Company repurchased its own ordinary shares on The Stock Exchange of Hong Kong Limited. The repurchased shares were cancelled and accordingly the issued capital of the company was reduced by the nominal value of these shares. The premium paid on the repurchase of the shares of \$49,088,000 was charged to share premium. Particulars of the shares repurchased during the year are as follows:

Month/year	Number of shares repurchased	Highest price paid per share \$	Lowest price paid per share \$	Aggregate price paid \$'000
September 2006	54,948,000	0.430	0.385	23,179
October 2006	27,272,000	0.425	0.395	11,301
November 2006	21,654,000	0.485	0.425	9,595
December 2006	38,980,000	0.500	0.460	19,298
	142,854,000			63,373