

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

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|  | Notes  | Attributable to equity holders of the Company |               |                             |                             |                                 |                          |                  |           | Minority interests | Total    |
|--|--------|---|---------------|-----------------------------|-----------------------------|---------------------------------|--------------------------|------------------|-----------|--------------------|----------|
|  |        | Share capital                                 | Share premium | Contributed surplus reserve | Share-based payment reserve | Convertible note equity reserve | Foreign exchange reserve | Retained profits | Sub-total |                    |          |
|  |        | HK\$'000                                      | HK\$'000      | HK\$'000                    | HK\$'000                    | HK\$'000                        | HK\$'000                 | HK\$'000         | HK\$'000  | HK\$'000           | HK\$'000 |
| At 1 January 2005  |        | 68,474  | 532,609       | —                           | —                           | —                               | —                        | (593,049)        | 8,034     | —                  | 8,034    |
| Expenses incurred on issue of shares                               | 30     | —   | (4,354)       | —                           | —                           | —                               | —                        | —                | (4,354)   | —                  | (4,354)  |
| Exchange differences arising on consolidation of overseas entities | 30     | —   | —             | —                           | —                           | —                               | 1                        | —                | 1         | —                  | 1        |
| Net (expenses) income recognised directly in equity                |        | —   | (4,354)       | —                           | —                           | —                               | 1                        | —                | (4,353)   | —                  | (4,353)  |
| Loss for the year  |        | —   | —             | —                           | —                           | —                               | —                        | (4,847)          | (4,847)   | —                  | (4,847)  |
| Total recognised (expenses) income for the year                    |        | —   | (4,354)       | —                           | —                           | —                               | 1                        | (4,847)          | (9,200)   | —                  | (9,200)  |
| Capital re-organisation:   |        |   |               |                             |                             |                                 |                          |                  |           |                    |          |
| — Capital reduction  | 29, 30 | (81,204)                                      | —             | 81,204                      | —                           | —                               | —                        | —                | —         | —                  | —        |
| — Cancellation of share premium                                    | 30     | —   | (542,404)     | 542,404                     | —                           | —                               | —                        | —                | —         | —                  | —        |
| — Set-off against accumulated losses of the Company                | 30     | —   | —             | (608,111)                   | —                           | —                               | —                        | 608,111          | —         | —                  | —        |
| Cancellation of paid-up ordinary share capital                     | 29, 30 | —   | —             | —                           | —                           | —                               | —                        | —                | —         | —                  | —        |
| Issue of shares:   |        |   |               |                             |                             |                                 |                          |                  |           |                    |          |
| — Share placing  | 29, 30 | 13,550  | 8,130         | —                           | —                           | —                               | —                        | —                | 21,680    | —                  | 21,680   |
| — Acquisition of associate   | 29, 30 | 667   | 19,333        | —                           | —                           | —                               | —                        | —                | 20,000    | —                  | 20,000   |
| — Rights issue   | 29, 30 | 4,920   | 142,693       | —                           | —                           | —                               | —                        | —                | 147,613   | —                  | 147,613  |
| Recognition of equity component of convertible note                | 27, 30 | —   | —             | —                           | —                           | 5,100                           | —                        | —                | 5,100     | —                  | 5,100    |
| Tax on equity component of convertible note                        | 28, 30 | —   | —             | —                           | —                           | (893)                           | —                        | —                | (893)     | —                  | (893)    |
|  |        | (62,067)                                      | (372,248)     | 15,497                      | —                           | 4,207                           | —                        | 608,111          | 193,500   | —                  | 193,500  |
| At 31 December 2005  |        | 6,407   | 156,007       | 15,497                      | —                           | 4,207                           | 1                        | 10,215           | 192,334   | —                  | 192,334  |

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For the year ended 31 December 2006

|  |  | Attributable to equity holders of the Company |               |                             |                             |                                 |                          |                  |           |                    |          |
|--|--|---|---------------|-----------------------------|-----------------------------|---------------------------------|--------------------------|------------------|-----------|--------------------|----------|
|  |  | Share capital                                 | Share premium | Contributed surplus reserve | Share-based payment reserve | Convertible note equity reserve | Foreign exchange reserve | Retained profits | Sub-total | Minority interests | Total    |
| Notes  |  | HK\$'000                                      | HK\$'000      | HK\$'000                    | HK\$'000                    | HK\$'000                        | HK\$'000                 | HK\$'000         | HK\$'000  | HK\$'000           | HK\$'000 |
| At 1 January 2006  |  | 6,407   | 156,007       | 15,497                      | —                           | 4,207                           | 1                        | 10,215           | 192,334   | —                  | 192,334  |
| Expenses incurred on issue of shares                               |  | —   | (5,531)       | —                           | —                           | —                               | —                        | —                | (5,531)   | —                  | (5,531)  |
| Exchange differences arising on consolidation of overseas entities |  | —   | —             | —                           | —                           | —                               | 7,588                    | —                | 7,588     | 2,856              | 10,444   |
| Contribution from minority shareholder                             |  | —   | —             | —                           | —                           | —                               | —                        | —                | —         | 25,425             | 25,425   |
| Net (expenses) income recognised directly in equity                |  | —   | (5,531)       | —                           | —                           | —                               | 7,588                    | —                | 2,057     | 28,281             | 30,338   |
| Profit (loss) for the year   |  | —   | —             | —                           | —                           | —                               | —                        | 4,616            | 4,616     | (1,752)            | 2,864    |
| Total recognised (expenses) income for the year                    |  | —   | (5,531)       | —                           | —                           | —                               | 7,588                    | 4,616            | 6,673     | 26,529             | 33,202   |
| Conversion of convertible note                                     |  | 1,818   | 58,496        | —                           | —                           | (4,207)                         | —                        | —                | 56,107    | —                  | 56,107   |
| Issue of shares:   |  |   |               |                             |                             |                                 |                          |                  |           |                    |          |
| — Open offer   |  | 2,674   | 237,919       | —                           | —                           | —                               | —                        | —                | 240,593   | —                  | 240,593  |
| — Exercise of bonus warrants                                       |  | —   | 11            | —                           | —                           | —                               | —                        | —                | 11        | —                  | 11       |
| Recognition of equity-settled share-based payment expenses         |  | —   | —             | —                           | 3,584                       | —                               | —                        | —                | 3,584     | —                  | 3,584    |
| Acquisition of subsidiary  |  | —   | —             | —                           | —                           | —                               | —                        | —                | —         | 18,816             | 18,816   |
|  |  | 4,492   | 296,426       | —                           | 3,584                       | (4,207)                         | —                        | —                | 300,295   | 18,816             | 319,111  |
| At 31 December 2006  |  | 10,899  | 446,902       | 15,497                      | 3,584                       | —                               | 7,589                    | 14,831           | 499,302   | 45,345             | 544,647  |