

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2006

|   | Attributable to equity holders of the Company |                              |                                |                               |                                    |                              |                                    |                    |                   |                       |                    |
|---|---|------------------------------|--------------------------------|-------------------------------|------------------------------------|------------------------------|------------------------------------|--------------------|-------------------|-----------------------|--------------------|
|   |   | Issued                       | Share                          | Share                         | Asset                              | PRC                          | Exchange                           | Accumulated        |                   | Minority              | Total              |
|   | Notes   | share<br>capital<br>HK\$'000 | premium<br>account<br>HK\$'000 | option<br>reserve<br>HK\$'000 | revaluation<br>reserve<br>HK\$'000 | reserve<br>funds<br>HK\$'000 | fluctuation<br>reserve<br>HK\$'000 | losses<br>HK\$'000 | Total<br>HK\$'000 | interests<br>HK\$'000 | equity<br>HK\$'000 |
|   |   |                              |                                |                               |                                    | (Note 32(a))                 |                                    |                    |                   |                       |                    |
| At 1 January 2005   |   | 493,981                      | -                              | -                             | 32,721                             | 28,397                       | (2,919)                            | (84,879)           | 467,301           | 66,124                | 533,425            |
| Exchange realignment  |   | -                            | -                              | -                             | -                                  | -                            | 3,758                              | -                  | 3,758             | 1,148                 | 4,906              |
| Total income and expense<br>for the year recognised<br>directly in equity |   | -                            | -                              | -                             | -                                  | -                            | 3,758                              | -                  | 3,758             | 1,148                 | 4,906              |
| Profit/(loss) for the year  |   | -                            | -                              | -                             | -                                  | -                            | -                                  | (35,042)           | (35,042)          | 6,504                 | (28,538)           |
| Total income and expense<br>for the year                                  |   | -                            | -                              | -                             | -                                  | -                            | 3,758                              | (35,042)           | (31,284)          | 7,652                 | (23,632)           |
| Transfer to PRC reserve funds   |   | -                            | -                              | -                             | -                                  | 1,995                        | -                                  | (1,995)            | -                 | -                     | -                  |
| Transfer to accumulated losses  |   | -                            | -                              | -                             | (922)                              | -                            | -                                  | 922                | -                 | -                     | -                  |
| Dividends paid to<br>minority shareholders                                |   | -                            | -                              | -                             | -                                  | -                            | -                                  | -                  | -                 | (866)                 | (866)              |
| Acquisition of subsidiaries   | 33  | -                            | -                              | -                             | -                                  | -                            | -                                  | -                  | -                 | 7,633                 | 7,633              |
| At 31 December 2005 and<br>1 January 2006                                 |   | 493,981                      | -                              | -                             | 31,799*                            | 30,392*                      | 839*                               | (120,994)*         | 436,017           | 80,543                | 516,560            |
| Exchange realignment  |   | -                            | -                              | -                             | -                                  | -                            | 8,063                              | -                  | 8,063             | 3,992                 | 12,055             |
| Total income and expense<br>for the year recognised<br>directly in equity |   | -                            | -                              | -                             | -                                  | -                            | 8,063                              | -                  | 8,063             | 3,992                 | 12,055             |
| Profit for the year   |   | -                            | -                              | -                             | -                                  | -                            | -                                  | 12,080             | 12,080            | 16,385                | 28,465             |
| Total income and expense<br>for the year                                  |   | -                            | -                              | -                             | -                                  | -                            | 8,063                              | 12,080             | 20,143            | 20,377                | 40,520             |
| Transfer to PRC reserve funds   |   | -                            | -                              | -                             | -                                  | 4,491                        | -                                  | (4,491)            | -                 | -                     | -                  |
| Transfer to accumulated losses  |   | -                            | -                              | -                             | (922)                              | -                            | -                                  | 922                | -                 | -                     | -                  |
| Dividends paid to<br>minority shareholders                                |   | -                            | -                              | -                             | -                                  | -                            | -                                  | -                  | -                 | (1,215)               | (1,215)            |
| Issue of shares   | 32(b)   | 98,000                       | 9,800                          | -                             | -                                  | -                            | -                                  | -                  | 107,800           | -                     | 107,800            |
| Share issue expenses  | 32(b)   | -                            | (3,839)                        | -                             | -                                  | -                            | -                                  | -                  | (3,839)           | -                     | (3,839)            |
| Equity-settled share<br>option arrangements                               | 31  | -                            | -                              | 5,214                         | -                                  | -                            | -                                  | -                  | 5,214             | -                     | 5,214              |
| At 31 December 2006   |   | 591,981                      | 5,961*                         | 5,214*                        | 30,877*                            | 34,883*                      | 8,902*                             | (112,483)*         | 565,335           | 99,705                | 665,040            |

\* These reserve accounts comprise the negative reserves of HK\$26,646,000 (2005: HK\$57,964,000) in the consolidated balance sheet.