

Consolidated Statement of Changes in Equity

For the year ended 31st December, 2006

| | Attributable to equity holders of the parent | | | | | | Share option reserve | | Minority interests | Total |
|---|--|---------------|-----------------|---------------------|-----------------|---------------------|----------------------|-----------------|--------------------|----------|
| | Share capital | Share premium | Special reserve | Translation reserve | Statutory funds | Accumulated profits | Total | of a subsidiary | | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | | |
| At 1st January, 2005 | 30,210 | 103,275 | 2,481 | 402 | 26,130 | 186,456 | 348,954 | - | 8,560 | 357,514 |
| Exchange differences arising on translation of foreign operations | - | - | - | 4,151 | - | - | 4,151 | - | - | 4,151 |
| Net income recognised directly in equity | - | - | - | 4,151 | - | - | 4,151 | - | - | 4,151 |
| Profit for the year | - | - | - | - | - | 11,380 | 11,380 | - | 4,827 | 16,207 |
| Total recognised income for the year | - | - | - | 4,151 | - | 11,380 | 15,531 | - | 4,827 | 20,358 |
| Recognition of equity-settled share-based payments | - | - | - | - | - | - | - | 758 | - | 758 |
| Dividend paid to minority interests | - | - | - | - | - | - | - | - | (8,525) | (8,525) |
| Disposal of subsidiaries | - | - | - | - | - | - | - | - | (4,862) | (4,862) |
| Dividend | - | - | - | - | - | (11,329) | (11,329) | - | - | (11,329) |
| At 31st December, 2005 | 30,210 | 103,275 | 2,481 | 4,553 | 26,130 | 186,507 | 353,156 | 758 | - | 353,914 |
| Exchange differences arising on translation of foreign operations | - | - | - | 13,936 | - | - | 13,936 | - | - | 13,936 |
| Net income recognised directly in equity | - | - | - | 13,936 | - | - | 13,936 | - | - | 13,936 |
| Profit for the year | - | - | - | - | - | 31,339 | 31,339 | - | - | 31,339 |
| Total recognised income for the year | - | - | - | 13,936 | - | 31,339 | 45,275 | - | - | 45,275 |
| Dividend | - | - | - | - | - | (3,021) | (3,021) | - | - | (3,021) |
| At 31st December, 2006 | 30,210 | 103,275 | 2,481 | 18,489 | 26,130 | 214,825 | 395,410 | 758 | - | 396,168 |

The special reserve represents the difference between the nominal value of the shares of the subsidiaries acquired and the nominal value of the Company's shares issued for their acquisition at the time of the group reorganisation in 1999.

Statutory funds are reserves required by the relevant laws applicable to the Group's subsidiaries established in the People's Republic of China (the "PRC subsidiaries") and can be utilised to offset the prior years' losses of the PRC subsidiaries.