

## Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company										
	Issued equity	Merger reserve	Capital reserve	Statutory reserves	Investment revaluation reserve	Share		Retained profits	Total	Minority interests	Total
						option reserve	Translation reserve				
HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000 (Note c)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 January 2005	78	245,632	270,225	272,664	-	-	105	1,112,162	1,900,866	155,436	2,056,302
Exchange differences arising on translation of foreign operations, recognised directly in equity	-	-	-	-	-	-	26,683	-	26,683	3,684	30,367
Profit for the year	-	-	-	-	-	-	-	779,421	779,421	13,003	792,424
Total recognised income for the year	-	-	-	-	-	-	26,683	779,421	806,104	16,687	822,791
Issue of ordinary share, net of issuing expense	482,325	-	-	-	-	-	-	-	482,325	-	482,325
Acquisition of subsidiaries	285,363	-	-	-	-	-	-	-	285,363	9,136	294,499
Contribution from owner	-	-	-	-	-	-	-	-	-	10,208	10,208
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	(5,412)	(5,412)
Transfer	-	-	-	6,114	-	-	-	(6,114)	-	-	-
At 31 December 2005	767,766	245,632	270,225	278,778	-	-	26,788	1,885,469	3,474,658	186,055	3,660,713
<b>Surplus on revaluation of available-for-sale investments</b>	-	-	-	-	40,106	-	-	-	40,106	-	40,106
<b>Deferred taxation liability arising on revaluation of available-for-sale investments</b>	-	-	-	-	(13,235)	-	-	-	(13,235)	-	(13,235)
<b>Exchange differences arising on translation of foreign operations</b>	-	-	-	-	-	-	61,896	-	61,896	7,034	68,930
<b>Total income recognised directly in equity</b>	-	-	-	-	26,871	-	61,896	-	88,767	7,034	95,801
<b>Profit for the year</b>	-	-	-	-	-	-	-	896,246	896,246	8,536	904,782
<b>Total income recognised for the year</b>	-	-	-	-	26,871	-	61,896	896,246	985,013	15,570	1,000,583

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						option reserve	Translation reserve				
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Note a)	(Note b)	(Note c)							
Recognition of equity-settled share-based payments	-	-	-	-	-	5,421	-	-	5,421	-	5,421
Dividend paid	-	-	-	-	-	-	-	(116,740)	(116,740)	-	(116,740)
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	(2,180)	(2,180)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	(3,826)	(3,826)
Transfer	-	-	-	25,170	-	-	-	(25,170)	-	-	-
<b>At 31 December 2006</b>	<b>767,766</b>	<b>245,632</b>	<b>270,225</b>	<b>303,948</b>	<b>26,871</b>	<b>5,421</b>	<b>88,684</b>	<b>2,639,805</b>	<b>4,348,352</b>	<b>195,619</b>	<b>4,543,971</b>

## Notes:

- (a) The merger reserve of the Group comprises the difference between the nominal value of the shares of the subsidiaries acquired and the nominal value of the shares issued by the holding companies as consideration for the group restructuring transactions in previous years.
- (b) The capital reserve of the Group comprises contributions from owners in respect of settlement of doubtful receivables and transfer of equity interest in a jointly controlled entity to the Group in previous years.
- (c) Statutory reserves comprise statutory reserve fund and enterprise expansion fund. In accordance with relevant rules and regulation on foreign investment enterprise established in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to transfer an amount of their profit after income tax to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund may be distributed to shareholders in the form of bonus issue. The appropriation to the enterprise expansion fund is solely determined by the board of directors of the subsidiaries in the PRC.