

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2006

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000 (Note 1)	Capital redemption reserve HK\$'000	Property revaluation reserve HK\$'000	Translation reserve HK\$'000	PRC reserve funds HK\$'000 (Note 2)	Retained profits HK\$'000	Total HK\$'000
At 1 January 2005	102,607	287,024	32,659	1,013	304	5,128	26,174	179,333	634,242
Surplus on revaluation	-	-	-	-	628	-	-	-	628
Recognition of deferred tax liability on revaluation of properties	-	-	-	-	(75)	-	-	-	(75)
Translation adjustments:									
- subsidiaries	-	-	-	-	-	10,220	-	-	10,220
- jointly controlled entity	-	-	-	-	-	1,021	-	-	1,021
- associate	-	-	-	-	-	880	-	-	880
Net gain recognised directly in equity	-	-	-	-	553	12,121	-	-	12,674
Profit for the year	-	-	-	-	-	-	-	62,228	62,228
Total recognised income for the year	-	-	-	-	553	12,121	-	62,228	74,902
Dividend paid	-	-	-	-	-	-	-	(15,391)	(15,391)
Transfer	-	-	-	-	-	-	1,524	(1,524)	-
At 31 December 2005	102,607	287,024	32,659	1,013	857	17,249	27,698	224,646	693,753
At 1 January 2006	102,607	287,024	32,659	1,013	857	17,249	27,698	224,646	693,753
Surplus on revaluation	-	-	-	-	3,628	-	-	-	3,628
Recognition of deferred tax liability on revaluation of properties	-	-	-	-	(472)	-	-	-	(472)
Translation adjustments:									
- subsidiaries	-	-	-	-	-	19,499	-	-	19,499
- jointly controlled entity	-	-	-	-	-	1,838	-	-	1,838
- associate	-	-	-	-	-	1,602	-	-	1,602
Net gain recognised directly in equity	-	-	-	-	3,156	22,939	-	-	26,095
Profit for the year	-	-	-	-	-	-	-	76,031	76,031
Release of deferred tax liability upon disposal of a property	-	-	-	-	64	-	-	-	64
Release of property revaluation reserve upon disposal of a property	-	-	-	-	(367)	-	-	367	-
Reversal in relation to share reform of an associate	-	-	-	-	-	-	(521)	521	-
Total recognised income for the year	-	-	-	-	2,853	22,939	(521)	76,919	102,190
Issue of shares	25,000	137,500	-	-	-	-	-	-	162,500
Share issue expenses	-	(1,089)	-	-	-	-	-	-	(1,089)
Transfer	-	-	-	-	-	-	18,059	(18,059)	-
At 31 December 2006	127,607	423,435	32,659	1,013	3,710	40,188	45,236	283,506	957,354



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Note 1: The capital reserve comprises the following:

- Approximately HK\$23,990,000 relates to an assignment of shareholder's loan at a nominal consideration of HK\$1 during the corporate re-organisation of the Group for the purpose of the listing in 1992.
- Approximately HK\$6,749,000 relates to the share of surplus on revaluation by an associate in 1995 for the purpose of listing on Shanghai Stock Exchange in 1996.
- The remaining balance of approximately HK\$1,920,000 relates to bonus shares issued by an associate in 2001.

Note 2: In accordance with the articles of association of the subsidiaries, jointly controlled entity and associate registered or incorporated in the People's Republic of China (the "PRC") and the relevant PRC laws and regulations, these subsidiaries, jointly controlled entity and associate are required to transfer at least 10% of their profit after taxation, which is determined in accordance with the PRC accounting rules and regulations, to a statutory reserve fund (including the general reserve fund and enterprise expansion fund, where appropriate). Transfer to this reserve fund is subject to the approval of the board of directors, and is discretionary when the balance of such fund has reached 50% of the registered capital of the respective company. Statutory reserve fund can only be used to offset accumulated losses or to increase capital.