

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2006

	Attributable to equity holders of the Company										
	Share capital	Share premium	Capital reserve	General reserve	Exchange translation reserve	Share option reserve	Capital redemption reserve	Accumulated losses	Total	Minority interests	Total
	US\$'000	US\$'000	US\$'000 (Note a)	US\$'000 (Note b)	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance 1 January 2005	9,161	47,540	716	1,968	627	-	4	(39,925)	20,091	9,969	30,060
Loss for the year and total recognised income and expenses for the year	-	-	-	-	-	-	-	(5,068)	(5,068)	(1,029)	(6,097)
Recognition of equity settled share based payments	-	-	-	-	-	42	-	-	42	-	42
Issue of shares upon exercise of share options	36	58	-	-	-	-	-	-	94	-	94
Transfer of share option reserve on exercise of share options	-	42	-	-	-	(42)	-	-	-	-	-
Capital repatriation to a minority shareholder	-	-	-	-	-	-	-	-	-	(941)	(941)
Dividends paid to a minority shareholder	-	-	-	-	-	-	-	-	-	(55)	(55)
Realised on disposal of an associate	-	-	-	(384)	134	-	-	250	-	-	-
Transfer	-	-	-	1	-	-	-	(1)	-	-	-
Balance at 31 December 2005 and 1 January 2006	9,197	47,640	716	1,585	761	-	4	(44,744)	15,159	7,944	23,103
Share of reserves of associates	-	-	-	-	33	-	-	-	33	-	33
Exchange differences arising on translation of operations in PRC	-	-	-	-	782	-	-	-	782	305	1,087
Net income recognised directly in equity	-	-	-	-	815	-	-	-	815	305	1,120
Loss for the year	-	-	-	-	-	-	-	(7,017)	(7,017)	(1,280)	(8,297)
Total recognised income and expenses for the year	-	-	-	-	815	-	-	(7,017)	(6,202)	(975)	(7,177)
Capital repatriation to a minority shareholder	-	-	-	-	-	-	-	-	-	(1,986)	(1,986)
Balance at 31 December 2006	9,197	47,640	716	1,585	1,576	-	4	(51,761)	8,957	4,983	13,940

## Notes:

- Capital reserve represents the reserve arising from the group restructuring which took place in 1996.
- General reserve comprises Enterprise Expansion Fund and General Reserve Fund set aside by certain subsidiaries in the PRC in accordance with the memorandum and articles of association of those subsidiaries.