

Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

	Attributable to equity holders of the Company							Sub-total HK\$'000	Minority interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000 (Note a)	Warrant reserve HK\$'000	Option reserve HK\$'000 (Note b)	Translation reserve HK\$'000	Accumulated losses HK\$'000			
At 1 January 2005	25,745	306,214	88,643	20,058	17,461	239	(233,050)	225,310	3,792	229,102
Exchange differences arising on translation of financial statements of foreign subsidiaries	-	-	-	-	-	710	-	710	4	714
Net income recognised directly in equity	-	-	-	-	-	710	-	710	4	714
Loss for the year	-	-	-	-	-	-	(24,095)	(24,095)	(305)	(24,400)
Total recognised income and expense for 2005	-	-	-	-	-	710	(24,095)	(23,385)	(301)	(23,686)
Movement in equity on expiry of warrants	-	-	-	(14,681)	-	-	14,681	-	-	-
Issue of shares on exercise of share options and warrants	1,888	27,871	-	(5,377)	(7,254)	-	-	17,128	-	17,128
Capital injection from minority shareholders of subsidiaries	-	-	-	-	-	-	-	-	24	24
	1,888	27,871	-	(20,058)	(7,254)	-	14,681	17,128	24	17,152
At 31 December 2005	27,633	334,085	88,643	-	10,207	949	(242,464)	219,053	3,515	222,568

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At 1 January 2006	27,633	334,085	88,643	-	10,207	949	(242,464)	219,053	3,515	222,568
Exchange differences arising on translation of financial statements of foreign subsidiaries	-	-	-	-	-	1,248	-	1,248	11	1,259
Net income recognised directly in equity	-	-	-	-	-	1,248	-	1,248	11	1,259
Loss for the year	-	-	-	-	-	-	(47,704)	(47,704)	32	(47,672)
Total recognised income and expense for 2006	-	-	-	-	-	1,248	(47,704)	(46,456)	43	(46,413)
Issue of shares on exercise of share options	2,750	32,079	-	-	(12,429)	-	-	22,400	-	22,400
Disposal of subsidiaries	-	-	-	-	-	(561)	-	(561)	(3,558)	(4,119)
Recognition of share based payments	-	-	-	-	19,582	-	-	19,582	-	19,582
	2,750	32,079	-	-	7,153	(561)	-	41,421	(3,558)	37,863
At 31 December 2006	30,383	366,164	88,643	-	17,360	1,636	(290,168)	214,018	-	214,018

Notes:

(a) Special reserve represents the aggregate of:

- (i) the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and the share premium account of LifeTec (Holdings) Limited, the subsidiary which was acquired by the Company pursuant to the group reorganisation in 1996, and
- (ii) the effects of the capital reduction, share premium cancellation and elimination of accumulated losses, took place in 1999.

(b) Option reserve represents the aggregate of:

- (i) the fair value of unexercised share options granted for the consultancy services provided or to be provided by certain consultants to the Group in the prior years in relation to the scope of services as set out in note 33.
- (ii) the fair value of share options granted in the current year which are yet to be exercised in relation to the share-based transactions as set out in note 33.