

Consolidated Statement of Changes in Equity

For the year ended 31 December 2004

	Share capital HK\$'000	Share premium account HK\$'000	Capital redemption reserve HK\$'000	Capital reserve HK\$'000 (Note)	(Deficit) retained profits HK\$'000	Total HK\$'000
At 1 January 2003	200,668	244,989	2,084	53,690	20,489	521,920
Exercise of convertible bonds	75,758	124,242	–	–	–	200,000
Shares issued for cash	22,000	36,080	–	–	–	58,080
Shares issue expenses	–	(1,432)	–	–	–	(1,432)
Net profit for the year	–	–	–	–	22,400	22,400
At 31 December 2003 and 1 January 2004	298,426	403,879	2,084	53,690	42,889	800,968
Exercise of share options	1,325	1,749	–	–	–	3,074
Net loss for the year	–	–	–	–	(94,019)	(94,019)
At 31 December 2004	<u>299,751</u>	<u>405,628</u>	<u>2,084</u>	<u>53,690</u>	<u>(51,130)</u>	<u>710,023</u>
Attributable to:						
The Company and subsidiaries	299,751	405,628	2,084	53,690	(215,313)	545,840
Jointly controlled entities	–	–	–	–	147,755	147,755
An associate	–	–	–	–	16,428	16,428
At 31 December 2004	<u>299,751</u>	<u>405,628</u>	<u>2,084</u>	<u>53,690</u>	<u>(51,130)</u>	<u>710,023</u>
The Company and subsidiaries	298,426	403,879	2,084	53,690	(79,878)	678,201
Jointly controlled entities	–	–	–	–	116,727	116,727
An associate	–	–	–	–	6,040	6,040
At 31 December 2003	<u>298,426</u>	<u>403,879</u>	<u>2,084</u>	<u>53,690</u>	<u>42,889</u>	<u>800,968</u>

Note: By a special resolution passed at an extraordinary general meeting and subsequently approved by the Supreme Court of Hong Kong in 1993, the share premium account of the Company was reduced by an amount of HK\$270,000,000. This amount was used to reduce the then Company's accumulated losses of HK\$216,310,000 and the balance of HK\$53,690,000 was credited to the Company's capital reserve which is non-distributable.