

Consolidated Statement of Changes in Equity

For the year ended 31 December 2004

	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Merger reserve HK\$'000	Capital reserve HK\$'000	Land and buildings revaluation reserve HK\$'000	Investment revaluation reserve HK\$'000	PRC statutory reserve HK\$'000	Goodwill reserve HK\$'000	Trans-lation reserve HK\$'000	Accu- mulated profits HK\$'000	Total HK\$'000
THE GROUP												
At 1 January 2003	45,584	253,234	56	136,648	2,825	11,255	15,640	3,879	1,238	1,867	199,059	671,285
Exchange difference on translation of operations outside Hong Kong	-	-	-	-	-	-	-	-	-	(1,160)	-	(1,160)
Share of translation reserve of an associate	-	-	-	-	-	-	-	-	-	202	-	202
Changes in fair value of non-trading securities	-	-	-	-	-	-	60	-	-	-	-	60
Net profit (loss) not recognised in the consolidated income statement	-	-	-	-	-	-	60	-	-	(958)	-	(898)
Realisation of reserves upon disposal of equity interest in a subsidiary	-	-	-	-	-	-	-	(170)	-	(964)	-	(1,134)
Impairment of land and buildings	-	-	-	-	-	(5,428)	-	-	-	-	-	(5,428)
Net profit for the year	-	-	-	-	-	-	-	-	-	-	93,383	93,383
Transfer	-	-	-	-	-	-	-	346	-	-	(346)	-
At 31 December 2003	45,584	253,234	56	136,648	2,825	5,827	15,700	4,055	1,238	(55)	292,096	757,208
At 1 January 2004												
- as previously reported	45,584	253,234	56	136,648	2,825	5,827	15,700	4,055	1,238	(55)	292,096	757,208
- adoption of HKFRS 3 (note 2)	-	-	-	-	-	-	-	-	-	-	833	833
- as restated	45,584	253,234	56	136,648	2,825	5,827	15,700	4,055	1,238	(55)	292,929	758,041
Exchange difference on translation of operations outside Hong Kong	-	-	-	-	-	-	-	-	-	64	-	64
Changes in fair value of non-trading securities	-	-	-	-	-	-	269	-	-	-	-	269
Net profit not recognised in the consolidated income statement	-	-	-	-	-	-	269	-	-	64	-	333
Realisation of reserves upon disposal of non-trading securities	-	-	-	-	-	-	(143)	-	-	-	-	(143)
Net profit for the year	-	-	-	-	-	-	-	-	-	-	124,201	124,201
Transfer	-	-	-	-	-	-	-	189	-	-	(189)	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	(10,029)	(10,029)
At 31 December 2004	45,584	253,234	56	136,648	2,825	5,827	15,826	4,244	1,238	9	406,912	872,403

The merger reserve represents the difference between the share capital and premium of the former ultimate holding company of the Group and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation in 1992, less a transfer of HK\$200,000,000 million to accumulated profits account in 2001.

The Group's statutory reserves represents reserves required to be appropriated from profit after taxation of the Company's PRC subsidiaries under PRC laws and regulations. The amount of the appropriation is at the discretion of the PRC subsidiaries' board of directors.

The accumulated profits and translation reserve of the Group at 31 December 2004 included a deficit of HK\$98,092,000 (2003: HK\$87,484,000) and a debit balance of HK\$792,000 (2003: HK\$792,000) retained by associates of the Group respectively.