

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December, 2005

	Attributable to equity holders of the parent									
	Share capital	Share premium	Contributed surplus	Special reserves	Statutory reserves	Translation reserve	Retained profits	Subtotal	Minority interests	Total
	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000 (Note b)	HK\$'000 (Note c)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1st January, 2004	4,616	—	—	—	9,481	(9,823)	24,519	28,793	14,040	42,833
Exchange differences arising on translation of operations outside Hong Kong directly recognised in equity	—	—	—	—	—	1,860	—	1,860	515	2,375
Profit for the year	—	—	—	—	—	—	42,021	42,021	5,724	47,745
Total recognised income and expenses for the year	—	—	—	—	—	1,860	42,021	43,881	6,239	50,120
Transfer to statutory reserves	—	—	—	—	2,811	—	(2,817)	(6)	6	—
Contribution from shareholders	—	—	—	20,135	—	—	—	20,135	(20,135)	—
Effect of share swap	(4,538)	—	—	4,538	—	—	—	—	—	—
At 31st December, 2004	78	—	—	24,673	12,292	(7,963)	63,723	92,803	150	92,953
Exchange differences arising on translation of operations outside Hong Kong directly recognised in equity	—	—	—	—	—	7,308	—	7,308	—	7,308
Profit for the year	—	—	—	—	—	—	75,413	75,413	4	75,417
Total recognised income and expenses for the year	—	—	—	—	—	7,308	75,413	82,721	4	82,725
Transfer to statutory reserves	—	—	—	—	55	—	(55)	—	—	—
Arising from group reorganisation	(78)	—	78	—	—	—	—	—	—	—
Capitalisation of amount due to a shareholder	200	—	191,965	—	—	—	—	192,165	—	192,165
Issue of shares by capitalisation of share premium account	2,800	(2,800)	—	—	—	—	—	—	—	—
Issue of shares for placing and public offer	1,000	100,000	—	—	—	—	—	101,000	—	101,000
Share issue expenses	—	(7,794)	—	—	—	—	—	(7,794)	—	(7,794)
At 31st December, 2005	4,000	89,406	192,043	24,673	12,347	(655)	139,081	460,895	154	461,049

Notes:

- The contributed surplus of the Company represents the excess of the combined net assets of the subsidiaries acquired and the acquisition of amount due to a shareholder from Interlink Atlantic Limited (being the holding company of companies comprising the group before group reorganisation set out in note 1), over the nominal value of the share capital of the Company issued in exchange thereof pursuant to the group reorganisation set out in note 1.
- The special reserve of the Group represents (i) the difference between the nominal value of share capital issued by Interlink Atlantic Limited and the nominal value of the share capital of subsidiaries acquired by Interlink Atlantic Limited on 23rd September, 2004; and (ii) the contribution from minority shareholders of net assets value shared by them to Dr. Sung Chung Kwun, the shareholder of Interlink Atlantic Limited.
- The Group's statutory reserve represents reserves required to be appropriated from profit after taxation of the Company's PRC subsidiaries under PRC laws and regulations.