



## Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2005

	Attributable to equity holders of parent						Total	Minority interests	Total	
	Share capital	Share premium account	Capital redemption reserve	Translation reserve	Capital reserve	Share option reserve				Retained profits (deficit)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note a)	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 January 2004										
– as originally stated	298,426	403,879	2,084	-	53,690	-	42,889	800,968	-	800,968
– effect of changes in accounting policies (Note 4)	-	-	-	-	-	1,828	(1,828)	-	9,605	9,605
– as restated	298,426	403,879	2,084	-	53,690	1,828	41,061	800,968	9,605	810,573
Loss for the year (as restated)	-	-	-	-	-	-	(102,793)	(102,793)	370	(102,423)
Exercise of share options	1,325	1,749	-	-	-	-	-	3,074	-	3,074
Recognition of equity – settled share based payments	-	-	-	-	-	8,774	-	8,774	-	8,774
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	(600)	(600)
At 31 December 2004 (as restated) and 1 January 2005	299,751	405,628	2,084	-	53,690	10,602	(61,732)	710,023	9,375	719,398
Share of changes in equity of an associate	-	-	-	710	-	-	-	710	-	710
Share of changes in equity of jointly controlled entities	-	-	-	951	-	-	-	951	-	951
Loss for the year	-	-	-	-	-	-	(259,075)	(259,075)	1,180	(257,895)
Total recognised income and expenses for the year	-	-	-	1,661	-	-	(259,075)	(257,414)	1,180	(256,234)
Recognition of equity – settled share based payments	-	-	-	-	-	15,720	-	15,720	-	15,720
Cancellation of share options (Note b)	-	-	-	-	-	(26,322)	26,322	-	-	-
At 31 December 2005	299,751	405,628	2,084	1,661	53,690	-	(294,485)	468,329	10,555	478,884

### Notes:

- (a) 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 deficit 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.
- (b) During the year, the Company cancelled all the outstanding options granted on 13 October 2003 and exercisable subject to a vesting scale which shall commence on the date of grant in tranches of 25% each reaching 100% as at 13 October 2006. In accordance with HKFRS 2, as the outstanding options have been cancelled during the vesting period, they should be accounted for, as an acceleration of vesting and any amount unrecognised should be charged to income statement immediately. Upon the cancellation of options, the share option reserve of approximately HK\$26,322,000 was transferred to the deficit of the Group.