

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30TH JUNE, 2006

	Attributable to equity holders of the parent							Total HK\$'000	Minority interests HK\$'000	Total HK\$'000	
	Share capital HK\$'000	Share premium HK\$'000	Share warrant HK\$'000	Share options reserve HK\$'000	Special capital reserve HK\$'000 (Note)	Exchange reserve HK\$'000	Capital redemption reserve HK\$'000				Accumulated losses HK\$'000
At 1st January, 2005	66,990	514,081	-	-	828,646	5	3,865	(1,102,402)	311,185	28,084	339,269
Loss for the period	-	-	-	-	-	-	-	(175,724)	(175,724)	(1,222)	(176,946)
Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	536	536
At 30th June, 2005	66,990	514,081	-	-	828,646	5	3,865	(1,278,126)	135,461	27,398	162,859
At 1st January, 2006	200,971	507,781	-	-	828,646	-	3,865	(1,255,237)	286,026	46,295	332,321
Income recognised directly in equity - Exchange differences arising on translation of overseas operations	-	-	-	-	-	4,418	-	-	4,418	1,221	5,639
Profit for the period	-	-	-	-	-	-	-	14,660	14,660	2,256	16,916
Total recognised income and expense for the period	-	-	-	-	-	4,418	-	14,660	19,078	3,477	22,555
Issue of shares for acquisition of a subsidiary	24,900	52,290	-	-	-	-	-	-	77,190	-	77,190
Placement of shares	20,000	32,000	-	-	-	-	-	-	52,000	-	52,000
Share issue expenses	-	(2,015)	-	-	-	-	-	-	(2,015)	-	(2,015)
Issue of warrants for acquisition of a subsidiary	-	-	26,408	-	-	-	-	-	26,408	-	26,408
Recognition of equity-settled share based payment	-	-	-	6,210	-	-	-	-	6,210	-	6,210
Proceeds from shares issued upon exercise of options	7,800	-	-	-	-	-	-	-	7,800	-	7,800
Transfer of reserve upon exercise of options	-	2,996	-	(2,996)	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-	-	(2,687)	(2,687)
At 30th June, 2006	253,671	593,052	26,408	3,214	828,646	4,418	3,865	(1,240,577)	472,697	47,085	519,782

Note:

A summary of the terms of the undertaking given by the Company (the "Undertaking") in connection with the capital reduction during the year ended 31st March, 2000 (the "Capital Reduction") in respect of the application of the special capital reserve is set out below:

- (i) The reserve shall not be treated as realised profits; and
- (ii) The reserve shall be treated as an undistributable reserve as long as there shall remain any outstanding debts or claims which were in existence on the date of the cancellation of the shares of the Company pursuant to the Capital Reduction, provided that the amount of the reserve may be reduced by the amount of any future increase in the share capital and the share premium account. Any part of the reserve so reduced is released from the terms of the Undertaking and the Company may apply that part so released as a distributable reserve.