

Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

	Attributable to equity holders of the Company						Minority interests HK\$'000	Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000 (Note i)	Statutory surplus reserve HK\$'000 (Note ii)	Translation reserve HK\$'000	Retained profits HK\$'000		
At 1 January 2005	1,800	75,064	5,760	13,224	–	80,025	13,929	189,802
Exchange differences arising on translation of foreign operations recognised directly in equity	–	–	–	–	3,510	–	351	3,861
Profit for the year	–	–	–	–	–	58,449	10,456	68,905
Total recognised income for the year	–	–	–	–	3,510	58,449	10,807	72,766
Issue of shares by private placing under general mandate (note 21)	393	73,322	–	–	–	–	–	73,715
Transaction costs attributable to issue of new shares	–	(1,045)	–	–	–	–	–	(1,045)
Acquisition of additional interest in subsidiaries	–	–	–	–	–	–	(182)	(182)
Acquisition of subsidiaries	–	–	–	–	–	–	1,665	1,665
New subsidiaries set up during the year	–	–	–	–	–	–	6,416	6,416
Transfer	–	–	–	5,697	–	(5,697)	–	–
Dividends paid to minority shareholders	–	–	–	–	–	–	(973)	(973)
Dividends paid	–	–	–	–	–	(17,375)	–	(17,375)
At 31 December 2005	2,193	147,341	5,760	18,921	3,510	115,402	31,662	324,789
Exchange differences arising on translation of foreign operations recognised directly in equity	–	–	–	–	6,822	–	1,049	7,871
Profit for the year	–	–	–	–	–	73,469	5,663	79,132
Total recognised income for the year	–	–	–	–	6,822	73,469	6,712	87,003
Issue of shares by private placing under general mandate (note 21)	275	78,100	–	–	–	–	–	78,375
Transaction costs attributable to issue of new shares	–	(1,493)	–	–	–	–	–	(1,493)
Acquisition of additional interest in subsidiaries	–	–	–	–	–	–	(5,810)	(5,810)
Disposal of a subsidiary	–	–	–	–	–	–	(1,265)	(1,265)
New subsidiaries set up during the year	–	–	–	–	–	–	9,321	9,321
Transfer	–	–	–	10,657	–	(10,657)	–	–
Dividends paid to minority shareholders	–	–	–	–	–	–	(4,526)	(4,526)
Dividends paid	–	–	–	–	–	(23,027)	–	(23,027)
At 31 December 2006	2,468	223,948	5,760	29,578	10,332	155,187	36,094	463,367

Notes:

(i) Special reserve

The special reserve of the Group represents the difference between the nominal value of the share capital issued by the Company and the nominal value of the share capital of the subsidiaries acquired pursuant to the Group Reorganisation on the basis that the Group Reorganisation had been effected on 24 June 2004.

(ii) Statutory surplus reserve

As stipulated by the relevant laws and regulations of the People's Republic of China, when distributing profit of each year, the Group shall set aside 10% of its profit after taxation for the statutory surplus reserve. The reserve can only be used, upon approval by the Board of Directors and by the relevant authority, to offset accumulated losses or increase capital.