

Consolidated Statement of Changes in Equity

For the year ended 31 December 2006

Notes	Attributable to equity holders of the Company									Equity component of convertible loan note of a listed subsidiary		Share option reserve of a listed subsidiary	Minority interests	Total
	Share capital HK\$'000	Share premium HK\$'000 (note h)	Con-tributed surplus HK\$'000 (notes i & j)	General reserve HK\$'000	Other reserve HK\$'000 (note k)	Translation reserve HK\$'000	Share option reserve HK\$'000	Investment revaluation reserve HK\$'000	Acc-umulated (losses) profits HK\$'000	Total HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2005, as restated	43,748	295,177	16,724	1,160	12,314	-	-	-	(148,606)	220,517	771	680	166,086	388,054
Loss for the year, representing total recognised loss for the year	-	-	-	-	-	-	-	-	(37,022)	(37,022)	-	-	9,963	(27,059)
Recognition of employee share option benefits	-	-	-	-	-	-	-	-	-	-	-	203	-	203
Arising from partial repayment of convertible loan note of a subsidiary	a(i)	-	-	-	-	-	-	-	(151)	(151)	(190)	-	-	(341)
Amount transferred from share premium to contributed surplus	b	-	(195,665)	195,665	-	-	-	-	-	-	-	-	-	-
Amount transferred to set off accumulated losses	c	-	-	(195,665)	-	-	-	-	195,665	-	-	-	-	-
2004 final dividend paid by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(3,677)	(3,677)
Issue of new shares by subsidiary	d(i), (ii), (iii)	-	-	-	-	-	-	-	-	-	-	-	53,244	53,244
Issue of new shares by subsidiary	e	-	-	-	-	-	-	-	-	-	-	-	(46,343)	(46,343)
At 31 December 2005 and 1 January 2006	43,748	99,512	16,724	1,160	12,314	-	-	-	9,886	183,344	581	883	179,273	364,081
Exchange difference arising from translation of foreign operations representing net expenses recognised directly in equity	-	-	-	-	-	(288)	-	-	-	(288)	-	-	-	(288)
Revaluation increase on acquisition of additional interests in an associate and income recognised directly in equity (note 38(iii))	-	-	-	-	-	-	-	15,564	-	15,564	-	-	-	15,564
Fair value changes on available-for-sale investments recognised directly in equity	-	-	-	-	-	-	-	14,095	-	14,095	-	-	-	14,095
Profit for the year	-	-	-	-	-	-	-	-	32,057	32,057	-	-	21,304	53,361
Total recognised income and expense for the year	-	-	-	-	-	(288)	-	29,659	32,057	61,428	-	-	21,304	82,732
Recognition of employee share option benefits	-	-	-	-	-	-	422	-	-	422	-	1,613	-	2,035
Arising from conversion of convertible loan note of a subsidiary	g(ii)	-	-	-	-	-	-	-	-	-	(308)	-	-	(308)
Arising from early repayment of convertible loan note of a subsidiary	a(ii)	-	-	-	-	-	-	-	-	-	(273)	-	-	(273)
2006 interim dividend paid by subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(22,298)	(22,298)
Issue of new shares due to rights issue	f	21,875	39,373	-	-	-	-	-	-	61,248	-	-	-	61,248
Issue of new shares by subsidiary	g	-	-	-	-	-	-	-	-	-	-	-	79,212	79,212
Arising from acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	2,389	2,389
Transaction costs attributable to issue of new shares	-	(1,487)	-	-	-	-	-	-	-	(1,487)	-	-	-	(1,487)
At 31 December 2006	65,623	137,398	16,724	1,160	12,314	(288)	422	29,659	41,943	304,955	-	2,496	259,880	567,331

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Notes:

- (a) (i) During the year ended 31 December 2005, CASH Financial Services Group Limited ("CFSG"), a listed subsidiary of the Company, made partial repayment of the convertible loan note issued on 1 September 2004 amounting to HK\$10,000,000. The consideration of HK\$10,000,000 was allocated into liability component and equity component. An equity component of approximately HK\$190,000 was released from the convertible loan note equity reserve.
- (ii) During the year ended 31 December 2006, CFSG has made full repayment of the convertible loan note issued on 1 September 2004 that remained outstanding in June 2006 amounting to HK\$8,000,000 and HK\$6,300,000 on 1 June 2006 and 28 June 2006 respectively. The consideration of HK\$14,300,000 was allocated into liability component and equity component. An equity component of approximately HK\$273,000 was released from the convertible loan note equity reserve.
- (b) Pursuant to a special resolution passed on 30 May 2005, the share premium account of the Company as of 31 December 2004 was reduced by an amount of HK\$195,665,196 and such amount was transferred to the contributed surplus account of the Company.
- (c) Pursuant to the minutes of a directors' meeting held on 30 May 2005, an amount of HK\$195,665,196 was transferred from the contributed surplus account to set off against the accumulated losses of the Company at 31 December 2004.
- (d) (i) In September 2005, 132,000,000 shares of HK\$0.10 each in CFSG were issued at a subscription price of HK\$0.27 per a CFSG's share.
- (ii) In September 2005, 13,325,000 share options granted by CFSG were exercised at an exercise price of HK\$0.34 per a CFSG's share, resulting in the issue of 13,325,000 CFSG's shares of HK\$0.10 each.
- (iii) In October 2005, 145,000,000 top up shares of HK\$0.10 each of CFSG were issued to the Group, at the price of HK\$0.40 per a CFSG's share, resulting in the issue of 145,000,000 CFSG's shares of HK\$0.10 each.
- (e) (i) In April 2005, 83,000,000 shares of HK\$0.02 each of CASH Retail Management Group Limited ("CRMG") were issued at a subscription price of HK\$0.28 per share. The Group's interest in CRMG was consequently reduced from 66.52% to 59.17%.
- (ii) In May 2005, 223,000,000 shares of HK\$0.02 each of CRMG were issued at subscription price of HK\$0.30 per share. The Group's interest in CRMG was further reduced from 59.17% to 45.60%.
- (iii) In May 2005, 19,833,333 share options granted by CRMG were exercised at the exercise price of HK\$0.316 per a CRMG's share, resulting in the issue of 19,833,333 shares of HK\$0.02 each. The Group's interest in CRMG was further reduced from 45.60% to 44.69%.
- (f) On 16 November 2006, 218,741,913 shares of HK\$0.10 each were issued by way of rights issue at a subscription price of HK\$0.28 per share. These shares rank pari passu in all respects with other shares in issue.

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- (g) (i) On 10 January 2006, 155,000,000 shares of HK\$0.10 each of CFSG in CFSG were issued to independent third parties at a price of HK\$0.40 per a CFSG's share, resulting the issue of 155,000,000 CFSG's shares of HK\$0.10 each.
- (ii) On 18 January 2006, convertible loan note issued by CFSG amounting to HK\$16,200,000 was converted into 60,000,000 shares of CFSG at a conversion price of HK\$0.27 per share.
- (iii) In January 2006, 1,170,000 share options were exercised at an exercise price of HK\$0.34 per a CFSG's per share, resulting in the issue of 1,170,000 CFSG's shares of HK\$0.10 each.
- (iv) In November 2006, 1,000,000 share options in CFSG were exercised at an exercise price of HK\$0.296 per a CFSG's share, resulting in the issue of 1,000,000 CFSG's shares of HK\$0.10 each.
- (h) Under the Companies Act 1981 of Bermuda, the share premium of the Company can be used in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.
- (i) Under the Companies Act 1981 of Bermuda, contributed surplus is available for distribution to shareholders. However, a company cannot declare or pay a dividend, or make a distribution out of contribution surplus, if:
 - (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or
 - (ii) the realisable value of the company's assets would thereby less than the aggregate of its liabilities and its issued share capital and share premium accounts.
- (j) The contributed surplus of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired pursuant to the group reorganisation in 1994 and the nominal value of the issued share capital of the Company issued in exchange thereof, and the net amount arising from the reduction of share premium account, capital reduction and the amounts transferred to set-off accumulated losses.
- (k) The other reserve of the Group represents the reserve arising from the distribution of shares of CASH on-line Limited (now renamed CFSG) in year 2000.
- (l) All the reserves of the Group are attributable to the Company and its subsidiaries.