

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2004

	Share capital HK\$'000	Share premium HK\$'000	Exchange reserve HK\$'000	Investment properties revaluation reserve HK\$'000	Other reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2004, as previously reported	670,500	1,813,437	(9,098)	14,471	3,975	402,529	2,895,814
Effect of adopting HKAS 40 (Note 1(c)(i))	-	-	-	(14,471)	-	14,471	-
At 1 January 2004, as restated	670,500	1,813,437	(9,098)	-	3,975	417,000	2,895,814
Exchange translation differences			414	-	-	-	414
Net gains not recognised in the consolidated profit and loss account			414	-	-	-	414
Reserve realised upon liquidation of a subsidiary	-	-	5,566	-	-	-	5,566
Profit for the year	-	-	-	-	-	162,883	162,883
2003 final dividend paid	-	-	-	-	-	(113,985)	(113,985)
At 31 December 2004	670,500	1,813,437	(3,118)	-	3,975	465,898	2,950,692
Retained by:							
Company and subsidiaries	670,500	1,813,437	1,645	-	3,975	471,816	2,961,373
Associates	-	-	(4,763)	-	-	(5,918)	(10,681)
At 31 December 2004	670,500	1,813,437	(3,118)	-	3,975	465,898	2,950,692

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For the year ended 31 December 2004

	Share capital HK\$'000	Share premium HK\$'000	Exchange reserve HK\$'000	Other reserves HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2003	561,000	1,495,889	(9,454)	3,758	377,802	2,428,995
Exchange translation differences			496	–	–	496
Net gains not recognised in the consolidated profit and loss account			496	–	–	496
Reserves realised upon disposal of subsidiaries	–	–	(140)	–	(2,701)	(2,841)
Transfer of reserves	–	–	–	217	(217)	–
Issue of shares (Note 25)	109,500	317,548	–	–	–	427,048
Profit for the year, as restated (Note a)	–	–	–	–	142,691	142,691
2002 final dividend paid	–	–	–	–	(100,575)	(100,575)
At 31 December 2003	670,500	1,813,437	(9,098)	3,975	417,000	2,895,814
Retained by:						
Company and subsidiaries	670,500	1,813,437	(4,335)	3,975	421,334	2,904,911
Associates	–	–	(4,763)	–	(4,334)	(9,097)
At 31 December 2003	670,500	1,813,437	(9,098)	3,975	417,000	2,895,814

- (a) As detailed in note 1(c)(i), the Group has early adopted Hong Kong Accounting Standard 40 "Investment Property" which requires all revaluation gains or losses of investment properties to be recognised in the consolidated profit and loss account, whereas such changes were taken to investment properties revaluation reserve on a portfolio basis under the previous accounting standard. This represented a change in accounting policy and the new accounting policy has been applied retrospectively such that the profit for the year ended 31 December 2003 and the retained profits at 31 December 2003 have been increased by HK\$14,471,000, representing the revaluation surplus of investment properties at 31 December 2003. There is no financial impact to the Group's retained profits at 1 January 2003.
- (b) At 31 December 2004, the Group's retained profits included capital reserve on consolidation of HK\$43,682,000 (31 December 2003 and 1 January 2003: HK\$43,682,000 and HK\$46,383,000 respectively) and statutory reserves attributable to certain subsidiaries and associates incorporated in the People's Republic of China ("PRC") of HK\$10,091,000 (31 December 2003 and 1 January 2003: HK\$8,760,000 and HK\$6,546,000 respectively). The PRC statutory reserves are not available for distribution.
- (c) At 31 December 2004, other reserves include capital redemption reserve of HK\$3,558,000 (31 December 2003 and 1 January 2003: HK\$3,558,000 and HK\$3,558,000 respectively) and legal reserve of HK\$417,000 (31 December 2003 and 1 January 2003: HK\$417,000 and HK\$200,000 respectively) being set aside as required pursuant to the regulations applicable to a subsidiary incorporated in Macau.