

# Consolidated Statement of Changes in Equity

For the year ended 31st December, 2005

## Attributable to equity holders of the parent

| Notes   | Issued share capital | Share premium account | Equity component of convertible bonds of the listed associate | Capital reserve | Special reserve | Assets revaluation reserve | Investment properties revaluation reserve | Long term investments revaluation reserve | Exchange equalisation reserve | Retained profits/ losses (Accumulated) | Total   | Minority interests | Total equity |
|---|----------------------|-----------------------|---|-----------------|-----------------|----------------------------|---|---|-------------------------------|--|---------|--------------------|--------------|
|   |                      |                       |   |                 |                 |                            |   |   |                               |  |         |                    |              |
| At 1st January, 2004  | 238.3                | 146.5                 | -   | 887.2           | 689.6           | -                          | 0.9                                       | (17.0)                                    | 1.5                           | 338.7                                  | 2,285.7 | 2,362.5            | 4,648.2      |
| As previously reported  | -                    | -                     | -   | (466.7)         | -               | 706.7                      | -   | -   | -                             | (325.0)                                | (85.0)  | (79.6)             | (164.6)      |
| Prior year adjustments  | 238.3                | 146.5                 | -   | 420.5           | 689.6           | 706.7                      | 0.9                                       | (17.0)                                    | 1.5                           | 13.7                                   | 2,200.7 | 2,282.9            | 4,483.6      |
| As restated   | -                    | -                     | -   | -               | -               | -                          | -   | -   | -                             | -                                      | -       | -                  | -            |
| Changes in fair value of long term investments                      | -                    | -                     | -   | -               | -               | -                          | -   | 137.5                                     | -                             | -                                      | 137.5   | 2.8                | 140.3        |
| Share of the listed associate                                       | -                    | -                     | -   | -               | -               | -                          | -   | 7.4                                       | -                             | -                                      | 7.4     | -                  | 7.4          |
| Total income and expense recognised directly in equity              | -                    | -                     | -   | -               | -               | -                          | -   | 144.9                                     | -                             | -                                      | 144.9   | 2.8                | 147.7        |
| Profit/(loss) for the year  | -                    | -                     | -   | -               | -               | -                          | -   | (31.3)                                    | -                             | (31.3)                                 | (31.3)  | 49.0               | 17.7         |
| Total income and expense for the year                               | -                    | -                     | -   | -               | -               | -                          | -   | 144.9                                     | -                             | (31.3)                                 | 113.6   | 51.8               | 165.4        |
| Release on disposal   | -                    | -                     | -   | -               | -               | -                          | (0.6)                                     | -   | -                             | -                                      | (0.6)   | -                  | (0.6)        |
| Conversion of convertible preference shares                         | (179.1)              | 179.1                 | -   | -               | -               | -                          | -   | -   | -                             | -                                      | -       | -                  | -            |
| Issue of new shares   | 12.9                 | 201.0                 | -   | -               | -               | -                          | -   | -   | -                             | -                                      | 213.9   | -                  | 213.9        |
| Share issue expenses  | -                    | (4.5)                 | -   | -               | -               | -                          | -   | -   | -                             | -                                      | (4.5)   | -                  | (4.5)        |
| Issue of convertible bonds  | -                    | -                     | 9.8   | -               | -               | -                          | -   | -   | -                             | -                                      | 9.8     | -                  | 9.8          |
| Ordinary shares to be issued by the listed subsidiary company       | -                    | -                     | -   | -               | -               | -                          | -   | -   | -                             | -                                      | -       | 39.0               | 39.0         |
| Acquisition of additional interest in the listed subsidiary company | -                    | -                     | -   | -               | -               | -                          | -   | -   | -                             | -                                      | -       | (135.6)            | (135.6)      |
| Acquisition of additional interest in a subsidiary company          | -                    | -                     | -   | -               | -               | -                          | -   | -   | -                             | -                                      | -       | 0.2                | 0.2          |
| Contribution from minority shareholders                             | -                    | -                     | -   | -               | -               | -                          | -   | -   | -                             | -                                      | -       | 0.2                | 0.2          |
| Arising from deconsolidation of the listed subsidiary company       | -                    | -                     | -   | -               | -               | -                          | -   | -   | -                             | -                                      | -       | (2,238.3)          | (2,238.3)    |
| Transfer to retained profits  | -                    | -                     | -   | -               | -               | (12.9)                     | -   | -   | -                             | 12.9                                   | -       | -                  | -            |
| At 31st December, 2004  | 72.1                 | 522.1                 | 9.8   | 420.5           | 689.6           | 693.8                      | 0.3                                       | 127.9                                     | 1.5                           | (4.7)                                  | 2,532.9 | 0.2                | 2,533.1      |



Paliburg  
Holdings Limited

# Consolidated Statement of Changes in Equity (Cont'd)



Paliburg  
Holdings Limited

## Attributable to equity holders of the parent

| Notes  | Equity component of convertible bonds of the listed associate |                       | Share option reserve | Capital reserve | Special reserve | Assets revaluation reserve    |                      | Investment properties revaluation reserve | Available-for-sale equity |                 | Exchange reserve | Retained profits | Proposed final dividend | Total | Minority interests | Total equity |
|--|---|-----------------------|----------------------|-----------------|-----------------|-------------------------------|----------------------|---|---------------------------|-----------------|------------------|------------------|-------------------------|-------|--------------------|--------------|
|  | Issued share capital  | Share premium account |                      |                 |                 | Share of the listed associate | Share option reserve |   | Capital reserve           | Special reserve |                  |                  |                         |       |                    |              |
|  | HKS'm   | HKS'm                 | HKS'm                | HKS'm           | HKS'm           | HKS'm                         | HKS'm                | HKS'm                                     | HKS'm                     | HKS'm           | HKS'm            | HKS'm            | HKS'm                   | HKS'm | HKS'm              | HKS'm        |
| At 1st January, 2005   | 72.1  | 522.1                 | -                    | 887.2           | 689.6           | 666.1                         | 0.3                  | 127.9                                     | -                         | 1.5             | 855.5            | -                | 3,822.3                 | 0.2   | 3,822.5            |              |
| As previously reported   | -   | -                     | 9.8                  | (466.7)         | -               | 27.7                          | -                    | -   | -                         | -               | (860.2)          | -                | (1,289.4)               | -     | (1,289.4)          |              |
| Prior year adjustments   | -   | -                     | -                    | (420.5)         | -               | -                             | (0.3)                | (4.0)                                     | 4.0                       | -               | 453.8            | -                | 33.0                    | -     | 33.0               |              |
| Opening adjustments  | -   | -                     | -                    | -               | -               | -                             | -                    | -   | -                         | -               | -                | -                | -                       | -     | -                  |              |
| As restated  | 72.1  | 522.1                 | 9.8                  | -               | 689.6           | 693.8                         | -                    | 123.9                                     | 4.0                       | 1.5             | 449.1            | -                | 2,565.9                 | 0.2   | 2,566.1            |              |
| Changes in fair value of available-for-sale equity investments   | -   | -                     | -                    | -               | -               | -                             | -                    | (13.6)                                    | -                         | -               | -                | -                | (13.6)                  | -     | (13.6)             |              |
| Exchange realignment   | -   | -                     | -                    | -               | -               | -                             | -                    | -   | -                         | (0.8)           | -                | -                | (0.8)                   | -     | (0.8)              |              |
| Share of the listed associate                                    | -   | -                     | -                    | -               | -               | -                             | -                    | -   | -                         | (0.3)           | -                | -                | (0.3)                   | -     | (0.3)              |              |
| Total income and expense recognised directly in equity           | -   | -                     | -                    | -               | -               | -                             | -                    | (13.6)                                    | -                         | (1.1)           | -                | -                | (14.7)                  | -     | (14.7)             |              |
| Profit for the year  | -   | -                     | -                    | -               | -               | -                             | -                    | -   | -                         | -               | 517.5            | -                | 517.5                   | -     | 517.5              |              |
| Total income and expense for the year                            | -   | -                     | -                    | -               | -               | -                             | -                    | (13.6)                                    | -                         | (1.1)           | 517.5            | -                | 502.8                   | -     | 502.8              |              |
| Release on disposal of a subsidiary company                      | -   | -                     | -                    | -               | -               | -                             | -                    | -   | -                         | 0.2             | -                | -                | 0.2                     | -     | 0.2                |              |
| Release on conversion to ordinary shares of the listed associate | -   | -                     | -                    | -               | -               | -                             | (2.3)                | -   | -                         | -               | -                | -                | (2.3)                   | -     | (2.3)              |              |
| Equity-settled share option arrangements                         | -   | -                     | 1.6                  | -               | -               | -                             | -                    | -   | -                         | -               | -                | -                | 1.6                     | -     | 1.6                |              |
| Share of the listed associate                                    | -   | -                     | 2.6                  | -               | -               | -                             | -                    | -   | -                         | -               | -                | -                | 2.6                     | -     | 2.6                |              |
| Proposed final 2005 dividend                                     | -   | -                     | -                    | -               | -               | -                             | -                    | -   | -                         | -               | (14.4)           | 14.4             | -                       | -     | -                  |              |
| At 31st December, 2005   | 72.1  | 522.1                 | 9.8                  | 4.2             | 689.6           | 693.8                         | -                    | 108.0                                     | 4.0                       | 0.6             | 952.2            | 14.4             | 3,070.8                 | 0.2   | 3,071.0            |              |