

CHINA EAGLE

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2004
(Expressed in Hong Kong dollars)

					(Accumulated losses)/ Retained earnings	Total
Note	Share capital \$'000	Share premium \$'000	Reserve on consolidation \$'000	Mandatory convertible notes \$'000	\$'000	\$'000
Balance at 1 April 2002	161,830	40,734	620	–	(4,864)	198,320
Net loss for the year	–	–	–	–	(12,360)	(12,360)
Balance at 31 March 2003	<u>161,830</u>	<u>40,734</u>	<u>620</u>	<u>–</u>	<u>(17,224)</u>	<u>185,960</u>
Balance at 1 April 2003	161,830	40,734	620	–	(17,224)	185,960
Net profit for the year	–	–	–	–	19,881	19,881
Movements in shareholders' equity arising from capital transactions with shareholders:						
– Shares issued upon conversion of convertible notes	32, 33	42,500	8,500	–	–	51,000
– Placing of shares	32, 33	79,600	15,008	–	–	94,608
Mandatory convertible notes issued	34	–	–	300,000	–	300,000
Balance at 31 March 2004	<u>283,930</u>	<u>64,242</u>	<u>620</u>	<u>300,000</u>	<u>2,657</u>	<u>651,449</u>

The notes on pages 22 to 66 form part of these financial statements.