

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the year ended 31st March, 2004*

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Special reserve <i>HK\$'000</i> <i>(note a)</i>	Negative goodwill <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i> <i>(note b)</i>	Total <i>HK\$'000</i>
At 1st April, 2002							
– as originally stated	23,640	5,987	32,680	1,232	(111)	164,157	227,585
– prior period adjustment in respect of deferred tax <i>(note 2)</i>	–	–	–	–	–	(1,083)	(1,083)
– as restated	23,640	5,987	32,680	1,232	(111)	163,074	226,502
Exchange differences arising on translation of overseas operations not recognised in consolidated income statement	–	–	–	–	375	–	375
Dividend paid	–	–	–	–	–	(10,874)	(10,874)
Loss for the year	–	–	–	–	–	(38,219)	(38,219)
<b>At 31st March, 2003</b>	<b>23,640</b>	<b>5,987</b>	<b>32,680</b>	<b>1,232</b>	<b>264</b>	<b>113,981</b>	<b>177,784</b>
At 1st April, 2003							
– as originally stated	23,640	5,987	32,680	1,232	264	114,101	177,904
– prior period adjustment in respect of deferred tax <i>(note 2)</i>	–	–	–	–	–	(120)	(120)
– as restated	23,640	5,987	32,680	1,232	264	113,981	177,784
Exchange differences arising on translation of overseas operations not recognised in consolidated income statement	–	–	–	–	79	–	79
Loss for the year	–	–	–	–	–	(4,991)	(4,991)
<b>At 31st March, 2004</b>	<b>23,640</b>	<b>5,987</b>	<b>32,680</b>	<b>1,232</b>	<b>343</b>	<b>108,990</b>	<b>172,872</b>

*Notes:*

- (a) The special reserve of the Group mainly represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the shares of the Company and Addlink Limited issued for the acquisition at the time of the group reorganisation on 9th November, 2001 and the share premium of Addlink Limited arising from issue of shares of Addlink Limited in connection with the debt assignment.
- (b) The retained profits of the Group include accumulated losses of HK\$1,470,000 (2003: HK\$1,470,000) attributable to the associate of the Group.