

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2004

	Share capital	Share premium	Special reserve	Capital reserve	Accumulated profits (losses)	Total
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
THE GROUP						
At 1st April, 2002	18,800,000	22,998,827	9,628,000	2,407,706	3,226,358	57,060,891
Share issued at premium	14,500	20,300	–	–	–	34,800
Net loss for the year	–	–	–	–	(28,827,509)	(28,827,509)
Dividends (note 9)	–	–	–	–	(1,881,150)	(1,881,150)
At 31st March, 2003	18,814,500	23,019,127	9,628,000	2,407,706	(27,482,301)	26,387,032
Shares issued at premium, net of share issue expense	1,600,000	1,878,130	–	–	–	3,478,130
Net loss for the year	–	–	–	–	(9,875,318)	(9,875,318)
At 31st March, 2004	<u>20,414,500</u>	<u>24,897,257</u>	<u>9,628,000</u>	<u>2,407,706</u>	<u>(37,357,619)</u>	<u>19,989,844</u>

The special reserve represents the offsetting of the share premium of Zida International Holding Limited (“ZIHL”) which had been transferred to special reserve upon a group reorganisation on 29th April, 2000 (the “Group Reorganisation”) amounting to HK\$9,730,500 against the difference between the nominal amount of ZIHL’s shares at the date at which they were acquired by the Company, and the nominal amount of the Company’s shares issued for the acquisition at the time of the Group Reorganisation amounting to HK\$102,500.