

## Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31ST MARCH 2004

	Share capital HK\$	Capital redemption reserve HK\$	Reserve/ (Goodwill) on consolidation HK\$	Capital reduction reserve HK\$	Investment revaluation reserve HK\$	Contributed surplus HK\$	Exchange reserve HK\$	Deficit HK\$	Total HK\$
<b>THE GROUP</b>									
At 1st April 2002	53,535,926	2,382,000	(26,486,075)	85,844,959	(28,723,549)	329,928,202	(4,024,035)	(210,058,626)	202,398,802
Exchange difference arising from translation of financial statements of foreign subsidiaries	-	-	-	-	-	-	(231,363)	-	(231,363)
Exchange difference arising from translation of financial statements of foreign associates	-	-	-	-	-	-	(167,742)	-	(167,742)
Unrealised loss on revaluation of investments in other securities	-	-	-	-	(9,547,000)	-	-	-	(9,547,000)
Net loss not recognised in the income statement	-	-	-	-	(9,547,000)	-	(399,105)	-	(9,946,105)
Eliminated on disposal of subsidiary	-	-	1,404,033	-	-	-	-	-	1,404,033
Net loss for the year	-	-	-	-	-	-	-	(56,689,304)	(56,689,304)
Impairment loss recognised in respect of investment in securities	-	-	-	-	27,881,000	-	-	-	27,881,000
At 31st March 2003 and 1st April 2003	53,535,926	2,382,000	(25,082,042)	85,844,959	(10,389,549)	329,928,202	(4,423,140)	(266,747,930)	165,048,426
Exchange difference arising from translation of financial statements of foreign subsidiaries	-	-	-	-	-	-	(486,211)	-	(486,211)
Exchange difference arising from translation of financial statements of foreign associates	-	-	-	-	-	-	(79,750)	-	(79,750)
Unrealised gain on revaluation of investments in other securities	-	-	-	-	7,678,135	-	-	-	7,678,135
Net gain (loss) not recognised in the income statement	-	-	-	-	7,678,135	-	(565,961)	-	7,112,174
Eliminated on disposal on investments in securities	-	-	-	-	8,615,061	-	-	-	8,615,061
Net loss for the year	-	-	-	-	-	-	-	(21,015,059)	(21,015,059)
<b>At 31st March 2004</b>	<b>53,535,926</b>	<b>2,382,000</b>	<b>(25,082,042)</b>	<b>85,844,959</b>	<b>5,903,647</b>	<b>329,928,202</b>	<b>(4,989,101)</b>	<b>(287,762,989)</b>	<b>159,760,602</b>

Included in the above is the Group's share of post acquisition reserves of the associates of deficit of HK\$30,532,072 (2003: deficit of HK\$24,082,922).

The reserve (goodwill) on consolidation comprises HK\$26,510,324 (2003: HK\$26,510,324) in respect of goodwill and HK\$1,428,282 (2003: HK\$1,428,282) in respect of negative goodwill.

The contributed surplus represented HK\$1,200,422,356 from the elimination of the entire share premium account and reduction of par value of the issued capital from HK\$1 to HK\$0.10 of the Company at the time of the capital restructuring of the Group as at 7th November 2001 less HK\$870,494,154 distributed out of the contributed surplus during the year ended 31st March 2002.