

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2004	Capital		Share premium	Capital		Enterprises expansion reserve	Revenue reserve	Exchange reserves	Contributed surplus	Accumulated losses	Total
	Share capital	reserve on consolidation		redemption reserve	Special reserve						
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2002	14,506	27,382	47,140	694,583	572	199	199	(682)	130,555	(1,062,591)	(148,137)
Exchange adjustment	—	—	—	—	—	—	—	(3,996)	—	—	(3,996)
Realised on disposal of interests in subsidiaries	—	(10)	—	—	—	—	—	—	—	—	(10)
Loss not recognised in the consolidated income statement	—	(10)	—	—	—	—	—	(3,996)	—	—	(4,006)
Issue of shares	450,000	—	—	—	—	—	—	—	—	—	450,000
Net loss for the year	—	—	—	—	—	—	—	—	—	(113,214)	(113,214)
At 31 March 2003	464,506	27,372	47,140	694,583	572	199	199	(4,678)	130,555	(1,175,805)	184,643
Exchange adjustment not recognised in the consolidated income statement	—	—	—	—	—	—	—	(19)	—	—	(19)
Net loss for the year	—	—	—	—	—	—	—	—	—	(142,401)	(142,401)
At 31 March 2004	464,506	27,372	47,140	694,583	572	199	199	(4,697)	130,555	(1,318,206)	42,223

Included in capital reserve on consolidation as at 31 March 2004 is negative goodwill of HK\$31,587,000 (2003: HK\$31,587,000) arising from acquisition of subsidiaries.

Included in capital reserve on consolidation as at 31 March 2004 is goodwill of HK\$4,215,000 (2003: HK\$4,215,000) arising from acquisition of subsidiaries.

The special reserve of the Group represents the difference between share capital, share premium and capital redemption reserve of Companion Building Material (Holdings) Limited and the nominal amount of share capital issued by the Company pursuant to the scheme of arrangement on 24 December 1999.