

## Statement of Changes in Equity

For the year ended 31st March 2004

	The Group						Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000 (note (a))	Translation reserve HK\$'000	Contributed surplus HK\$'000	Accumulated (losses)/ profits HK\$'000	
At 1 April 2002	32,000	69,823	(22,470)	(117)	–	(334,954)	(255,718)
Capital reduction	(31,720)	–	–	–	–	31,720	–
Issue of new shares, net of outgoings	10,000	29,059	–	–	–	–	39,059
Shares issued for conversion of convertible notes	2,375	7,125	–	–	–	–	9,500
Profit for the year	–	–	–	–	–	321,658	321,658
At 31 March 2003	12,655	106,007	(22,470)	(117)	–	18,424	114,499
Shares issued for conversion of convertible notes (notes 20(a) & (b))	5,125	15,375	–	–	–	–	20,500
Capital reduction (note 21(iv))	(19,787)	–	–	–	–	19,787	–
Issue of new shares, net of outgoings (notes 21(ii), (v) & (vi))	2,078	10,188	–	–	–	–	12,266
Loss for the year	–	–	–	–	–	(10,631)	(10,631)
<b>At 31 March 2004</b>	<b>71</b>	<b>131,570</b>	<b>(22,470)</b>	<b>(117)</b>	<b>–</b>	<b>27,580</b>	<b>136,634</b>

  

	The Company						Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000	Translation reserve HK\$'000	Contributed surplus HK\$'000 (note(b))	Accumulated losses HK\$'000	
At 1 April 2002	32,000	69,823	–	–	105,026	(434,032)	(227,183)
Capital reduction	(31,720)	–	–	–	–	31,720	–
Issue of new shares, net of outgoings	10,000	29,059	–	–	–	–	39,059
Share issued for conversion of convertible notes	2,375	7,125	–	–	–	–	9,500
Profit for the year	–	–	–	–	–	185,193	185,193
At 31 March 2003	12,655	106,007	–	–	105,026	(217,119)	6,569
Share issued for conversion of convertible notes (notes 20(a) & (b))	5,125	15,375	–	–	–	–	20,500
Capital reduction (note 21(iv))	(19,787)	–	–	–	–	19,787	–
Issue of new shares, net of outgoings (notes 21(ii), (v) & (vi))	2,078	10,188	–	–	–	–	12,266
Loss for the year	–	–	–	–	–	(4,061)	(4,061)
<b>At 31 March 2004</b>	<b>71</b>	<b>131,570</b>	<b>–</b>	<b>–</b>	<b>105,026</b>	<b>(201,393)</b>	<b>35,274</b>

## Notes:

- (a) The special reserve of the Group represents the difference between the nominal amount of the share capital of the subsidiaries acquired and the nominal value of the Company's shares issued for the acquisition pursuant to the corporate reorganisation and capitalisation in paying up 1,000,000 nil paid shares prior to the listing of the Company's shares.
- (b) The contributed surplus of the Company represents the differences between the consolidated shareholders' funds of subsidiaries at the date on which they were acquired by the Company and the nominal amount of the share capital of the Company issued under the corporate reorganisation and capitalisation in paying up 1,000,000 nil paid shares. Under The Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company is available for distribution to shareholders.

The notes on pages 18 to 40 form an integral part of these financial statements.