

## Consolidated Statement of Changes in Equity *For the year ended 31 March 2004*

	Share capital HK\$'000	Share premium HK\$'000	Investment property revaluation reserve HK\$'000	Investment revaluation reserve HK\$'000	Surplus account HK\$'000	Capital reserve HK\$'000	Exchange reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000
Balance at 1 April 2002	207,760	1,044,231	-	-	102,008	30,657	3,864	763,533	2,152,053
Revaluation increase	-	-	993	-	-	-	-	-	993
Share of reserves by minority shareholders	-	-	(243)	-	-	(1,691)	(1,351)	-	(3,285)
Net gains (losses) not recognised in the income statement	-	-	750	-	-	(1,691)	(1,351)	-	(2,292)
Issue of shares	6,124	14,682	-	-	-	-	-	-	20,806
Net profit for the year	-	-	-	-	-	-	-	213,580	213,580
Transferred to capital reserve	-	-	-	-	-	1,252	-	(1,252)	-
Dividends paid	-	-	-	-	-	-	-	(73,357)	(73,357)
Balance at 31 March 2003	213,884	1,058,913	750	-	102,008	30,218	2,513	902,504	2,310,790
Revaluation increase (decrease)	-	-	2,770	(1,591)	-	-	-	-	1,179
Deferred tax liability arising on revaluation of properties	-	-	(564)	-	-	-	-	-	(564)
Share of reserves by minority shareholders	-	-	(111)	-	-	-	-	-	(111)
Exchange differences on translation of the financial statements of overseas operations	-	-	-	-	-	-	626	-	626
Net gains (losses) not recognised in the income statement	-	-	2,095	(1,591)	-	-	626	-	1,130
Issue of shares	7,637	48,748	-	-	-	-	-	-	56,385
Net profit for the year	-	-	-	-	-	-	-	341,908	341,908
Realised on impairment of investments in securities	-	-	-	1,591	-	-	-	-	1,591
Dividends paid	-	-	-	-	-	-	-	(140,499)	(140,499)
<b>Balance at 31 March 2004</b>	<b>221,521</b>	<b>1,107,661</b>	<b>2,845</b>	<b>-</b>	<b>102,008</b>	<b>30,218</b>	<b>3,139</b>	<b>1,103,913</b>	<b>2,571,305</b>

The accumulated profits of the Group included accumulated losses of HK\$333,000 (2003: HK\$333,000) attributable to associates of the Group and accumulated losses of HK\$20,282,000 (2003: HK\$8,977,000) attributable to its jointly controlled entities.

Included in the capital reserve are People's Republic of China (the "PRC") statutory reserves amounting to HK\$5,994,000 (2003: HK\$5,994,000) transferred from accumulated profits as required by the relevant PRC laws and regulations applicable to the Group's PRC subsidiaries. The remaining HK\$24,224,000 (2003: HK\$24,224,000) represents negative goodwill arising on acquisition of subsidiaries prior to 1 April 2002.

Surplus account represents the difference between the nominal amount of the share capital issued by the Company and the aggregate of the nominal amount of the issued share capital and other reserve accounts of Skyworth Digital Group Limited, the subsidiary which was acquired by the Company pursuant to the group reorganisation carried out in 2000 ("Group Reorganisation").