

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2005

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Special reserve <i>HK\$'000</i> <i>(note a)</i>	Negative goodwill <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i> <i>(note b)</i>	Total <i>HK\$'000</i>
At 1st April, 2003	23,640	5,987	32,680	1,232	264	113,981	177,784
Exchange differences arising on translation of overseas operations not recognised in consolidated income statement	–	–	–	–	79	–	79
Loss for the year	–	–	–	–	–	(4,991)	(4,991)
At 31st March, 2004	23,640	5,987	32,680	1,232	343	108,990	172,872
Exchange differences arising on translation of overseas operations not recognised in consolidated income statement	–	–	–	–	150	–	150
Loss for the year	–	–	–	–	–	(29,134)	(29,134)
At 31st March, 2005	<u>23,640</u>	<u>5,987</u>	<u>32,680</u>	<u>1,232</u>	<u>493</u>	<u>79,856</u>	<u>143,888</u>

Notes:

- (a) The special reserve of the Group mainly represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the shares of the Company and Addlink Limited issued for the acquisition at the time of the group reorganisation in 2001 and the share premium of Addlink Limited arising from issue of shares of Addlink Limited in connection with the debt assignment.
- (b) The retained profits of the Group include accumulated losses of HK\$1,470,000 (2004: HK\$1,470,000) attributable to the associate of the Group.