

# Consolidated Statement of Changes in Equity

For the year ended 31st March, 2005

	Share capital HK\$	Share premium HK\$	Special reserve HK\$	Capital reserve HK\$	Accumulated losses HK\$	Total HK\$
<b>THE GROUP</b>						
At 1st April, 2003	18,814,500	23,019,127	9,628,000	2,407,706	(27,482,301)	26,387,032
Shares issued at premium	1,600,000	2,208,000	–	–	–	3,808,000
Share issue expenses	–	(329,870)	–	–	–	(329,870)
Net loss for the year	–	–	–	–	(9,875,318)	(9,875,318)
At 31st March, 2004	20,414,500	24,897,257	9,628,000	2,407,706	(37,357,619)	19,989,844
Net loss for the year	–	–	–	–	(7,206,151)	(7,206,151)
At 31st March, 2005	<u>20,414,500</u>	<u>24,897,257</u>	<u>9,628,000</u>	<u>2,407,706</u>	<u>(44,563,770)</u>	<u>12,783,693</u>

The special reserve represents the offsetting of the share premium of Zida International Holding Limited (“ZIHL”) which had been transferred to special reserve upon a group reorganisation on 29th April, 2000 (the “Group Reorganisation”) amounting to HK\$9,730,500 against the difference between the nominal amount of ZIHL’s shares at the date at which they were acquired by the Company, and the nominal amount of the Company’s shares issued for the acquisition at the time of the Group Reorganisation amounting to HK\$102,500.