

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2005

	Share capital <i>HK\$'000</i>	Share premium account <i>HK\$'000</i>	Contributed surplus <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at April 1, 2003	469,450	748,283	84,925	(1,193,361)	109,297
Exercise of share options	1,160	899	–	–	2,059
Net loss for the year	–	–	–	(101,873)	(101,873)
Preference share dividend	–	–	–	(1,036)	(1,036)
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Balance at March 31, 2004	470,610	749,182	84,925	(1,296,270)	8,447
Redemption of convertible redeemable non-voting preference shares	(103,000)	–	–	–	(103,000)
Exercise of share options	340	527	–	–	867
Net profit for the year	–	–	–	40,520	40,520
Preference share dividend	–	–	–	(935)	(935)
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Balance at March 31, 2005	<u>367,950</u>	<u>749,709</u>	<u>84,925</u>	<u>(1,256,685)</u>	<u>(54,101)</u>

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The contributed surplus of the Group represents the difference between the estimated fair value of the Company's ordinary shares issued as purchase consideration of a subsidiary at the date of acquisition in 2002 over the nominal value of the Company's ordinary share.