

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2006

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Contributed surplus HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2004	35,701	61,344	17,850	714	(16)	(57,737)	57,856
Exchange differences on translation of overseas operations and net income recognised directly in equity	—	—	—	—	45	—	45
Profit for the year	—	—	—	—	—	6,104	6,104
Total recognised income and expense for the year	—	—	—	—	45	6,104	6,149
Realised on disposal of subsidiaries	—	—	—	—	16	—	16
At 31 March 2005	35,701	61,344	17,850	714	45	(51,633)	64,021
Exchange differences on translation of overseas operations and net income recognised directly in equity	—	—	—	—	2,006	—	2,006
Loss for the year	—	—	—	—	—	(32,857)	(32,857)
Total recognised income and expense for the year	—	—	—	—	2,006	(32,857)	(30,851)
Reduction of share capital upon capital reorganisation (see note 25(a))	(35,344)	—	35,344	—	—	—	—
Rights issue of shares (see note 25(b))	3,570	139,233	—	—	—	—	142,803
Transaction costs attributable to issue of new shares	—	(945)	—	—	—	—	(945)
At 31 March 2006	3,927	199,632	53,194	714	2,051	(84,490)	175,028

The capital reserve of the Group represents the credit arising from the reduction of share capital of the Company in March 2004 and September 2005 and can be applied in the future for distribution to the shareholders.

The contributed surplus of the Group represents the credit arising from the reduction of share capital of the Company in February 2003 which may then be utilised by the directors in accordance with the Company's Bye-laws and all applicable laws, including to eliminate the accumulated losses of the Company.